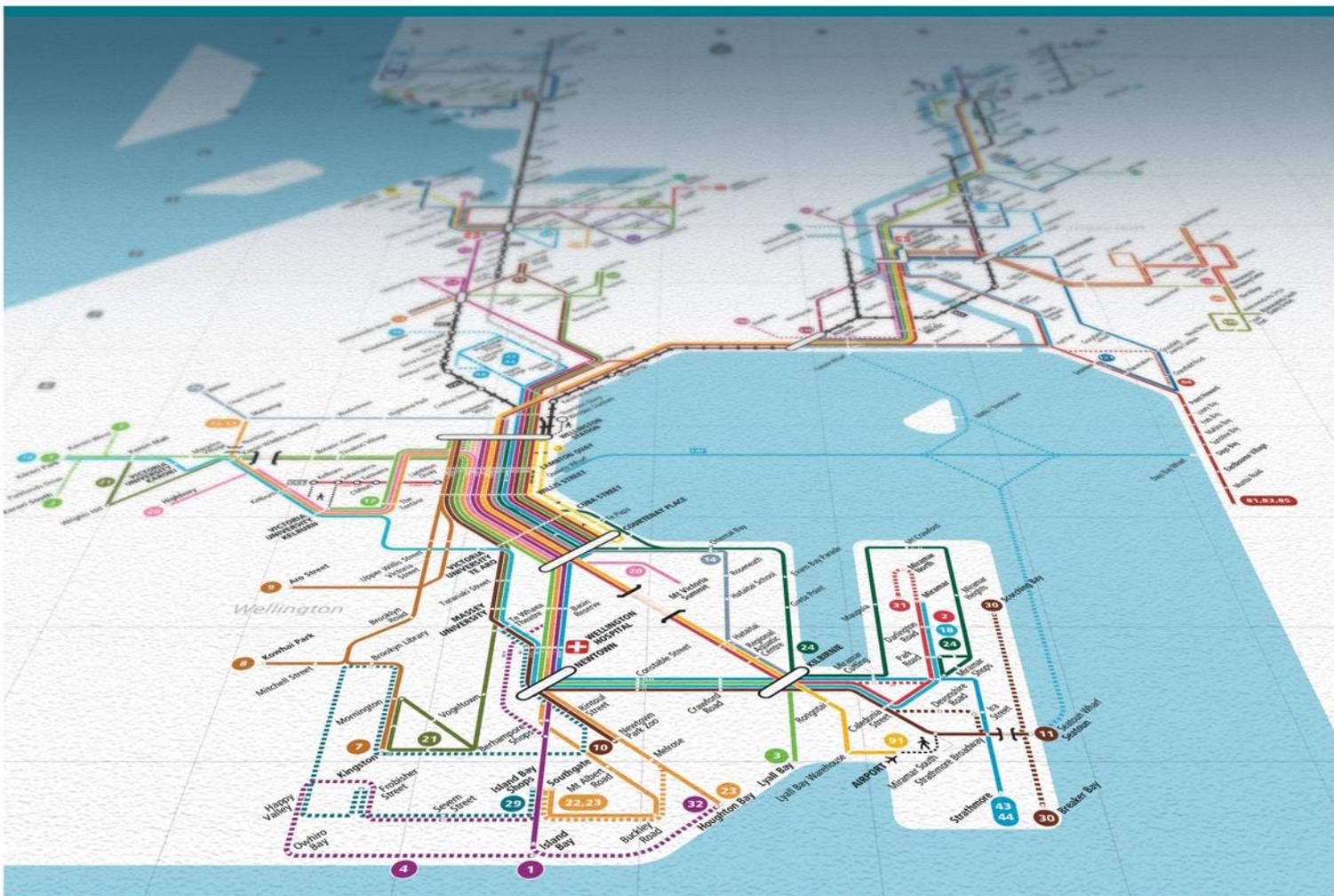


Greater Wellington Bus Services



Request for Tender

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Purpose

The purpose of this Request for Tender (RFT) is to seek Tenders that will allow the Greater Wellington Regional Council (GWRC) to select the best Tenderers to operate bus services across the Wellington region, under the Public Transport Operating Model (PTOM).

This document describes the tender opportunity and the requirements of GWRC. It also sets out the requirements for submitting Tenders and describes how Tenders will be evaluated. The Tender Process and evaluation reflects the expectation and requirements of GWRC.

Each Tender submitted needs to:

- Respond to all aspects of the RFT submission requirements unless stated otherwise
- Highlight the capability and experience of the Tenderer as is relevant to bus services in the Wellington region
- Communicate the Tenderer's understanding of the environment and challenges facing bus services in the Wellington region
- Present a compelling vision for bus services across the Wellington region
- Be sustainable and demonstrate value for money.

Message from Greg Campbell - CE



Wellingtonians have a special relationship with their buses and are often really passionate about them. The very strong culture of bus travel in the

Wellington region is fantastic and challenging at the same time: people appreciate its benefits and its importance but they also have high expectations of it and want it to be even better than it is. So do we – the people who plan and manage public transport on a day to day basis and for the future.

We have high expectations for our new partnering contracts and their potential to build a quality bus network to meet the growing needs of our region. The foundations for this build are extremely solid: almost 24 million trips are made on the region's buses every year – that's equal to more than 48 trips made by every single person in the Greater Wellington region. Within Wellington City, bus use averages 101 times a year for every person.

Our customer satisfaction survey this year found that 88% of bus customers were happy with the overall bus service and 89% would recommend using the bus to others. That's a high level of satisfaction, but we want it to be even better and we're confident we'll get there within the next few years as we make some exciting changes to bus travel in the region and Wellington City in particular.

We've designed a new network for Wellington City bus services that will put a lot more people within reach of high frequency bus services;

there'll be more evening and weekend services in several suburbs and less bus congestion through the CBD, meaning more reliable journeys for everyone.

We're upgrading the region's bus fleet, introducing high capacity buses to meet demand, and replacing older buses with modern low emission buses as we work to eventually introduce the first battery electric bus fleet in the country.

With new buses, higher frequency and more reliable services, we're absolutely committed to working with our partners to improve the whole journey experience for our bus customers. The Regional Council has a strong track record of constructive and effective working relationships with public transport operators and as an organisation we're really sharpening our focus on our customers and how we can provide them with an even better service.

The new environment in which this Request for Tender document has been developed, provides a real opportunity to raise the bar significantly for public transport in the Wellington region, making it easier, smarter and better. Operators have exciting opportunities to improve services and encourage more people to leave their car at home and take the bus. Opportunities for us all.



Greg Campbell – Chief Executive



Glossary of terms

This glossary of terms applies to all RFT Documents. We suggest that you take some time to become familiar with the terminology that GWRC uses as some may not be familiar to you.

Unless otherwise defined in this RFT, capitalised terms have the meaning given to them in the Contract. These defined terms can be found in Schedule 1 (Definitions and interpretation) of the Contract. The interpretation provisions set out in paragraph 2 (Interpretation) of Schedule 1 (Definitions and interpretation) of the Contract apply to the RFT Documents as if set out in full.

This glossary of terms applies to all RFT Documents.

| | |
|-----------------------------------|--|
| ACC | Accident Compensation Corporation |
| Added Value Premium or AVP | The extra amount an organisation is prepared to pay for the output offered by an alternative tender. This premium is calculated in accordance with Appendix C of the Procurement Manual |
| Addendum | Any addendum issued by GWRC in accordance section 6.4 of this RFT |
| Alternative Tender | A Tender which offers a change from the requirements specified in this RFT and which complies with the requirements in section 7.3 |
| Answer | A GWRC response to a Tenderer's Question, that is provided via the Data Room's question and Answer (Q&A) facility |
| Bundle | A group of Bus Units for which a Tender has been submitted, which Tender expressly states that it is submitted on the basis that all Bus Units in that group (rather than one or a selection of those Bus Units) would be awarded to the Tenderer. |
| Bus Unit | Has the meaning given in section 5(1) of the LTMA |
| Conforming Tender | A Tender response that complies with the requirements set out in this RFT, as described in section 7.2 |
| Consortium | A consortium, joint venture, partnership or similar arrangement between two or more entities for the purpose of participating in the Tender Process. |

| | |
|---|---|
| Consortium Member | Each member of a Consortium |
| Contract | The PTOM Partnering Contract for bus services in the Wellington region, designed to encourage greater collaboration between approved organisations and suppliers of services. |
| Core Routes | Has the meaning given in Appendix 1 to this RFT |
| Cost of Emissions | Means the value calculated for each fleet tendered for each Bus Unit in accordance with Appendix 2: Fleet emissions calculation |
| Data Room | The electronic Data Room established by GWRC for the purpose of the Tender Process |
| Data Room User Guide | The guide to the Data Room set out in section 01 of the Data Room |
| Emissions Improvement Premium or EIP | The monetised emissions saving that a Tender delivers against the highest emitting fleet tendered for a Bus Unit, calculated using the formula in Appendix 2: Fleet emissions calculation |
| Evaluation Adjusted Price or EAP | The price calculated using the formula in section 9.4.5 |
| Evaluation Manager | The person appointed by GWRC to manage the evaluation of Tenders |
| GHG | Greenhouse gases |
| GWRC | Greater Wellington Regional Council |
| Information Memorandum | The document which provides a broad introduction to the Wellington region, and GWRC's bus services and Contract |
| Initial Preferred Tender outcome | The Tender option/s that provide/s the best value-for-money outcome for GWRC, before market concentration is considered, as calculated pursuant to section 9.4.7. |
| Instruction Booklet | Each booklet in the Data Room providing instructions on how to complete the Response Templates |

| | |
|---|--|
| Interconnected Body Corporate | Means a body corporate which is interconnected with another body corporate within the meaning given in the Commerce Act 1986 |
| Local Routes | Has the meaning given in Appendix 1 to this RFT |
| Metlink | Metlink is the Wellington region's high-quality public transport network of bus, train and harbour ferry services |
| Notice to Tenderers or NTT | A notice issued by GWRC to Tenderers |
| NPV | Net Present Value |
| Partnering Contract Summary | The summary of the key commercial terms of the Contract which forms part of the Information Memorandum |
| Peak Vehicle Requirement or PVR | The maximum number of Vehicles required at any time to provide Passenger Services in accordance with the timetable for the Bus Unit Timetable (excluding any Spare Vehicles) |
| Preferred Tenderer | Each Preferred Tenderer appointed by GWRC as described in Section 9.4.8 of this RFT and the subject of the Preferred Tender Outcome |
| Preferred Tender Outcome | The combination of Tenders that gives the best value-for-money outcome for GWRC, subject to due diligence checks in Stage 9 (section 9.4.9) of the Tender evaluation process |
| Price Quality Methodology or PQM | The evaluation methodology of that name set out in Appendix C (Supplier Selection Method) to the Procurement Manual |
| Probity Adviser | A GWRC appointed person (or organisation) engaged to advise GWRC on probity matters throughout the Tender Process |
| Probity Auditor | An Audit New Zealand representative appointed to audit and provide probity assurance across the Tender Process |
| Procurement Manual | The New Zealand Transport Agency's Procurement Manual |

| | |
|--|--|
| Q&A Coordinator | The person appointed by GWRC to manage the Q&A process through the Data Room |
| Q&A Process | The process for Tenderers raising questions and GWRC responding, referred to in section 10.17 of this RFT |
| Question | An enquiry or question raised by a Tenderer (for GWRC to Answer), via the Data Room's Question and Answer (Q&A) facility |
| Response Template | Documents entitled 'Response Template' that Tenderers are required to enter responses to questions into |
| Returnables | Term used to collectively refer to the documents (Parts 1 to 6) that Tenderers must read and complete when responding to this RFT. These Returnables are available in the Data Room and includes the Response Templates, Instruction Booklets and Submission Checklist |
| Revenue-Service Kilometres | As defined in Schedule 1 (Definitions and interpretation) of the Contract |
| RFT or RFT Documents | This Request for Tender and associated documentation (in each case as amended from time to time) issued by GWRC in relation to the award of the Contracts, including the Contract, The Partnering Contract Summary, the Returnables, Addendum and NTTs |
| RFT Terms and Conditions | The terms and conditions set out in section 10 of this RFT |
| Supplier Quality Premium or SQP | Has the meaning given in the Procurement Manual |
| Targeted Services | Has the meaning given in Appendix 1 of this RFT |
| Tender | The Tenderer's final submission, for each Bus Units or Bundle provided to GWRC during the procurement process in response to this RFT and any further information provided by a Tenderer, which may either be a Conforming Tender or an Alternative Tender |

| | |
|-----------------------------------|--|
| Tender Closing Date | Date and time by which Tender/s need to be received by GWRC by, as set out in section 6.5 (Key dates) of this RFT and as may be changed by GWRC notifying Tenderers |
| Tender Evaluation Teams | The evaluation will be conducted by six teams: Quality, Emissions, Price, Due diligence, Selection, and Management. Collectively, these teams will be referred to as the Tender Evaluation Teams |
| Tender Interactive Meeting | The interactive meetings referred to in section 6.7 of this RFT |
| Tender Process | The procurement process in respect of the proposed Contracts, as described in section 9 of this RFT |
| Tenderer | A single organisation or Consortium which has received access to the Data Room for the purposes of submitting a Tender in response to this RFT |
| Tenderer Briefing | The briefing to be held by GWRC, as further described in section 6.6 of this RFT |
| Tenderer Declaration | The declaration to be provided by the Tenderer and each Consortium Member pursuant to Returnable Part 1 |
| Tenderer Question Approver | The person appointed by a Tenderer who is responsible for vetting and submitting all Questions made by that Tenderer via the Data Room Q&A facility |
| Tenderer's Capacity | A Tenderer's maximum capacity to deliver Bus Units - expressed as total PVR across all tendered Bus Units, as set out in Returnable Part 5 |
| Transport Agency | The New Zealand Transport Agency is the Crown entity responsible for promoting safe and functional transport by land |
| Wellington region | The region administered by the Greater Wellington Regional Council |



1. The opportunity

With nine bus contracts (known as Bus Units) of varying sizes available for tender across the Wellington region, operators have the opportunity to tender for contracts that will reshape the look, feel and usability of the region's bus services.

The nine Bus Units available for tender form part of a wider network of 16 Bus Units, one rail unit and one ferry unit that have been designed to link routes for efficiency and service reliability. The design of Bus Units across the Wellington region has been extensively informed by industry feedback, with different sizes and locations appealing to a broad range of operators. Tenderers have freedom to tender for multiple Bus Units and can Bundle Bus Units together to create synergies and gain further operational efficiencies.

The Bus Units will be contracted for nine years and there is potential for high-performing Bus Units to be negotiated for an additional six years.

We encourage operators to share innovative ideas of ways that services can be improved, both as part of your Tender and throughout the life of the Contracts.

GWRC has led the country on thinking around low emission bus fleets - our vision is to be the first region in New Zealand to have a full electric bus fleet. Low emission buses are a high priority for GWRC and Tenderers are encouraged to offer the most cost effective fleet that meets GWRC's aspirations.

Wellingtonians are engaged with and proud of our public transport system, 89% saying that we would recommend Metlink to a friend or colleague¹. Already avid users of public transport, Wellington has the highest per capita public transport use in the country and one of the highest in Australasia. The Wellington market is receptive and ready for the changes the new contracts will bring.

GWRC is committed to growing public transport patronage – with a targeted 15% increase by 2025. We recognise both parties are reliant on each other and have a stake in delivering affordable public transport services that people want to use. The contracts, based on a partnering philosophy, offer real incentives for operators to continually improve service delivery, grow patronage and provide value-for-money services.

The new contracts are an opportunity for us to work in partnership to provide a better public transport experience for our customers and to make Greater Wellington even greater.

¹ 2015/16 Public Transport Passenger Satisfaction Survey



2. About GWRC

GWRC is a territorial local authority and is responsible for public transport planning and funding, environment management, flood protection and land management, provision of regional parks and metropolitan water supply.

GWRC is a statutory body made up of 13 elected regional councillors. Various Acts of Parliament, such as the Local Government Act 2002 and the Resource Management Act 1991, state what activities GWRC should, or may, be involved with. It is the Councillors' role to decide how these activities should be carried out.

An effective transport network is the lifeblood of the Wellington region. Making sure people and freight can move quickly and safely around, and in and out of the region is one of our main responsibilities.

A key role of GWRC is managing the Metlink Public Transport Network, with support from central government. Passengers, ratepayers and road users all help to fund the network.

The Metlink network includes a comprehensive range of bus services, five passenger rail lines and the harbour ferry service. GWRC is also responsible for public transport infrastructure including railway stations, bus and ferry shelters, signage, and Park and Ride facilities.



3. A new approach

GWRC is changing the way we deliver bus services in the Wellington region – to provide better value for money and a better customer experience and ultimately grow public transport patronage.

Bus services are being contracted under the Public Transport Operating Model (PTOM). This represents a paradigm shift in the way bus services will be delivered in the Wellington region, by providing a framework for building long-term, collaborative partnerships between GWRC and operators.

Partnering relationships will be based on mutual benefit and have a shared focus on optimising the performance of bus services in the Metlink Public Transport Network and maximising value for money.

The approach GWRC is taking to implement PTOM meets the requirements of the Land Transport Management Act 2003 (LTMA) and supports the Regional Public Transport Plan (RTP), while also taking into account the specific characteristics of the Wellington market.

The PTOM introduces a new approach to the delivery of public transport services, based on three key elements: partnering, performance and competition.

The PTOM seeks to grow patronage, while reducing reliance on public subsidies. Achieving this by meeting the dual objectives of growing the commerciality of public transport services, and growing confidence that services are priced efficiently and the market is competitive.

Customers are at the heart of GWRC's strategy to increase public transport use. People want a seamless public transport service that is easy to use and affordable. There is also growing public awareness of the need for sustainable and clean public transport solutions that will boost Wellington's status as a desirable place to live, work and play.

3.1 Guiding objectives

There are five public transport objectives guiding GWRC's application of PTOM goals to the procurement of bus services in the Wellington region.

The objectives applied to the development of this procurement are:

Quality – to ensure quality of procurement in terms of value for money and customer satisfaction.

Smooth transition – a smooth transition to new contracts, new operators, new fleet and new service patterns in Wellington City

Partnership and transparency – to embed an open and collaborative partnering relationship with operators.

Increasing patronage – to grow patronage, particularly at peak travel times, and improve integration between services and between modes.

Improving commerciality – to improve the commerciality of bus services and reduce reliance on public subsidy.

3.2 Bus Units

Under PTOM, services are grouped into 'units' of routes (as set out in the RPTP), and operators will Tender (or in the case of Directly Appointed Units, negotiate) to deliver all services within Bus Units, instead of individual routes. The Wellington regional bus network is made up of 16 Bus Units. In accordance with the requirements for the transition to PTOM, seven Bus Units have been directly appointed to incumbent operators, with nine Bus Units available for tender. Further details of the Bus Units available for tender can be found in Table 1 – Greater Wellington Regional Council Bus Units.

Our approach to Bus Unit allocation takes account of the current procurement environment, as well as taking a long-term view to achieve market sustainability and maintain and enhance value. It endeavours to remove barriers and foster supplier entry and growth.

In accordance with the transitional 'like for like' rule of PTOM, under the LTMA (as amended in 2013), GWRC has recognised those operators who have provided registered commercial services – as defined under the previous Public Transport Management Act 2008 as at 30 June 2011. GWRC has made a one-off offer of a number of Bus Units on a direct appointment basis to two incumbent operators. All other Bus Units are being offered to the market by tender in accordance with this RFT.

Prices for the Direct Appointed Units (DAUs) will be determined by using a variety of inputs, including tendered prices, to establish an efficient price for each Bus Unit. Price setting for the DAUs will therefore follow, and be informed by, the Tender Process.

Table 1 – Greater Wellington Regional Council Bus Units

The following table shows the 16 Bus Units, indicating those that are available for tender (nine Bus Units) and those that have been directly appointed (seven Bus Units).

The figures in the table below are estimates provided for information purposes only.

| Unit | Estimated Revenue Service PVR | Estimated Revenue Service km | Approximate catchment population | Available for tender |
|----------------------|-------------------------------|------------------------------|----------------------------------|----------------------|
| 1. North-South Spine | 47 | 1,645,020 | 39,000 | ✓ |
| 2. East-West Spine * | 61 | 1,563,300 | | |
| 3. University * | 19 | 621,710 | | |
| 4. Khandallah/Aro | 25 | 879,250 | 24,400 | ✓ |
| 5. Central * | 20 | 417,390 | | |
| 6. Taranaki * | 13 | 494,900 | | |
| 7. Brooklyn/Owhiro | 23 | 746,680 | 19,200 | ✓ |
| 8. Newlands * | 14 | 533,320 | | |
| 9. Lower Hutt | 43 | 1,864,330 | 76,000 | ✓ |
| 10. Upper Hutt | 31 | 1,437,600 | 40,000 | ✓ |
| 11. Wainuiomata | 14 | 859,890 | 17,000 | ✓ |
| 12. Eastbourne * | 17 | 948,340 | | |
| 13. Porirua | 25 | 1,092,060 | 51,800 | ✓ |
| 14. Kapiti | 20 | 901,430 | 49,100 | ✓ |
| 15. Wairarapa | 6 | 345,120 | 41,200 | ✓ |
| 18. Tawa * | 9 | 345,680 | | |

*Directly Appointed Units

3.3 Geographical location of Bus Units

The 16 Bus Units are spread across the Wellington region as Figure 1 shows.

Figure 1 - Geographical location of the Wellington Bus Units

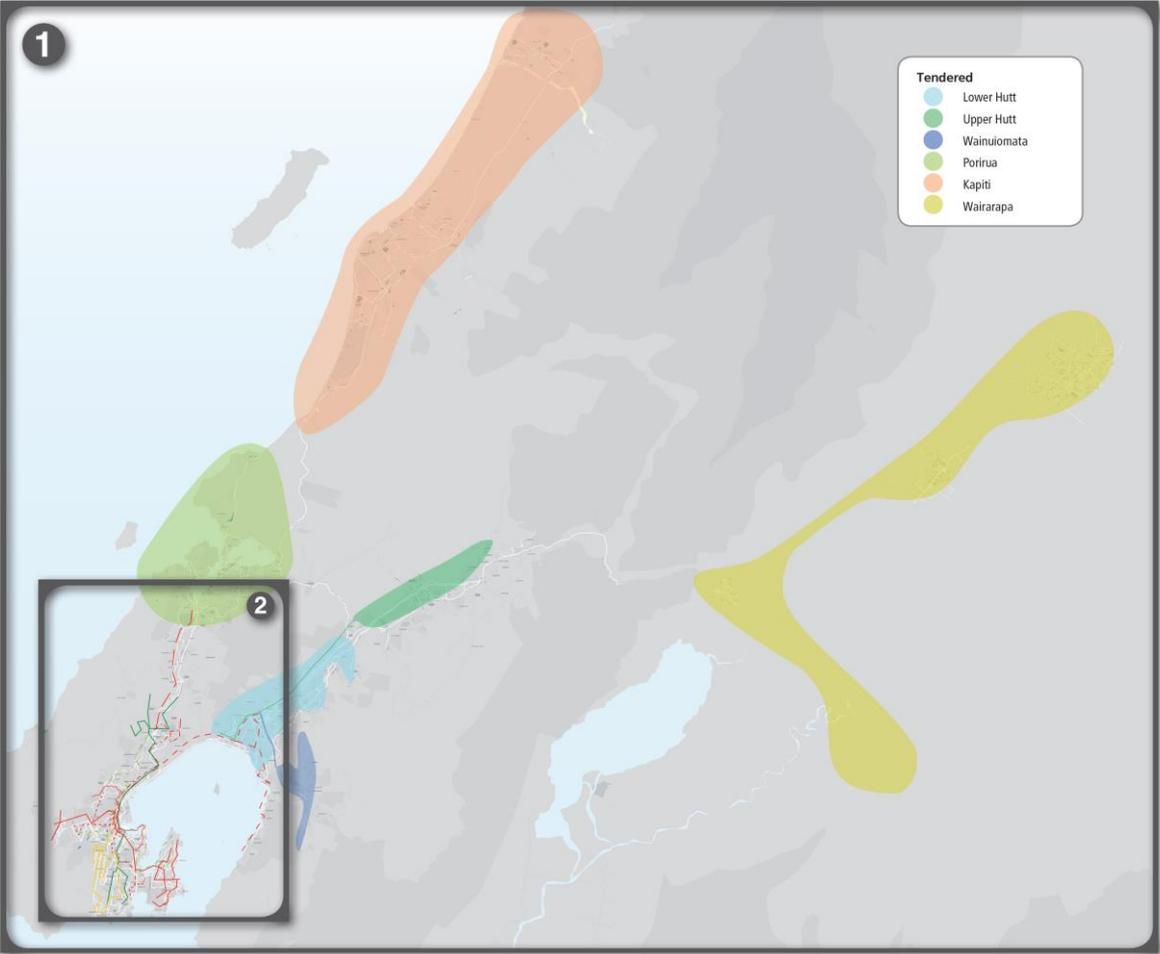
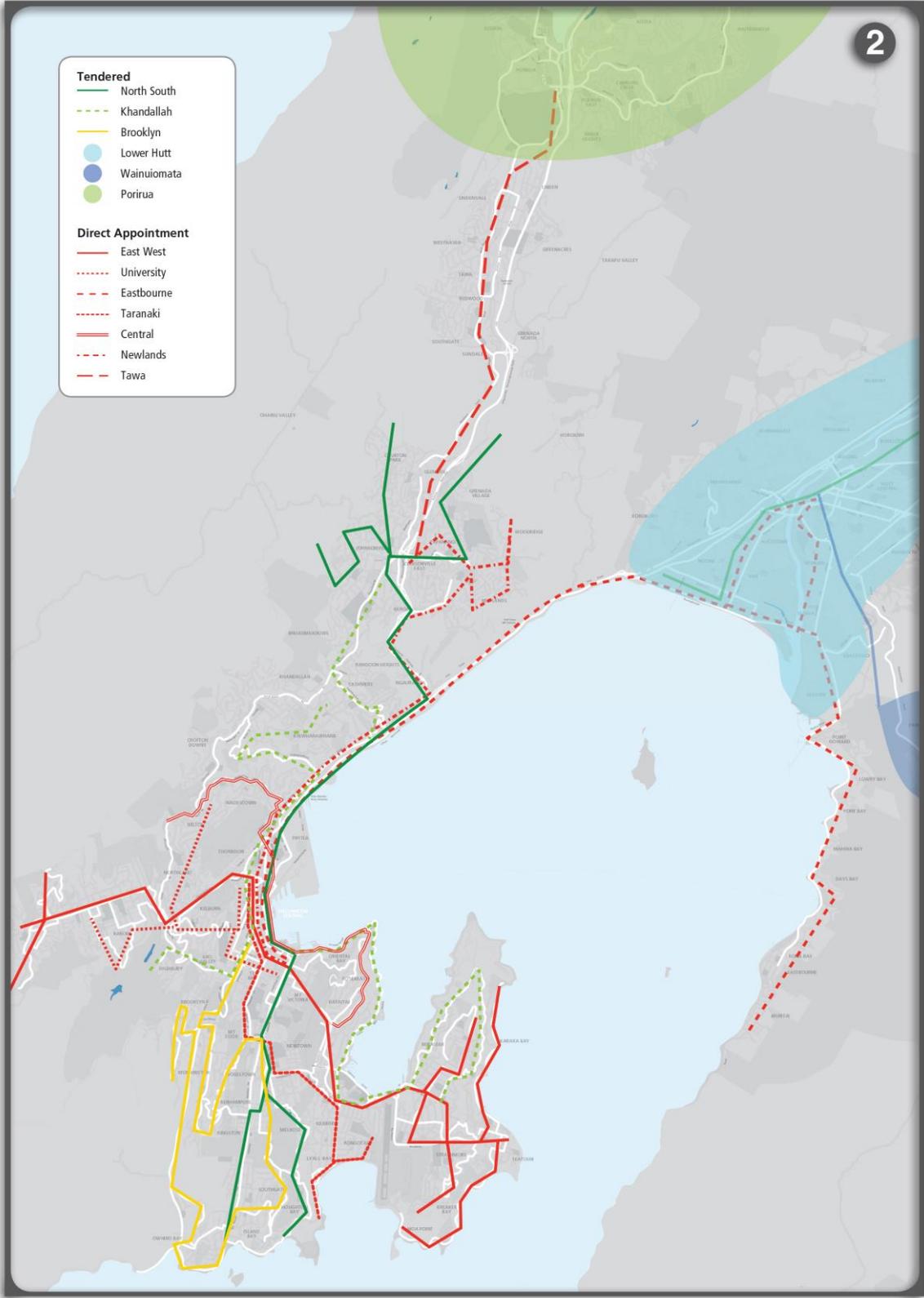


Figure 2 – Close-up of central Bus Units



See [Appendix 1](#) for more information about each of the nine Bus Units that are available for tender including:

- An overview of the key elements
- Timetabled service connections
- Public Routes in each Bus Unit
- School Routes in each Bus Unit
- Vehicle types
- Service statistics.

Full Bus Unit specifications (PTOM Service Specifications) including timetables are provided in section 05 of the Data Room.



4. Overview of our requirements

4.1 Principles

Principles that are fundamental to GWRC in our future relationships with our operating partners include:

A partnering relationship – meaning that interactions between us:

- Are founded on mutual confidence and trust
- Are collaborative rather than adversarial
- Deliver clarity and certainty for the parties
- Focus on joint pursuit of continuous improvements in service performance and outcomes that add value for stakeholders (including passengers) in Wellington's bus services
- Minimise the time and attention the parties give to transactional, financial or administrative matters that add little or no value for stakeholders (including passengers).

A network approach – meaning that Wellington's bus services will contribute to the success and efficient integration of the Wellington Public Transport Network rather than succeeding in isolation.

Continuous improvement – meaning that we work together to deliver a world-leading bus network for the people of the Wellington region, within the resources that are available.

Fairness – meaning that:

- We will share financial risks sensibly and equitably with you
- You have the opportunity to achieve an appropriate commercial return for you and your shareholders.

4.2 Passenger Services

We require Operators to deliver the following Passenger Operating Services:

- Deliver services, and any special event services, safely, reliably and punctually in a manner that encourages patronage growth
- Manage disruptions to services so that passenger inconvenience is minimised
- Communicate information on board about service disruptions to customers and update GWRC where applicable
- Sell tickets and provide revenue protection.

We expect Operators will strive to:

- Deliver services on time (to within 5 minutes of scheduled times)
- Provide passengers with the best possible travel experience
- Work openly and collaboratively with GWRC to enhance the Public Transport Network in the Wellington region and grow patronage
- Meet all relevant legislative requirements.

Delivering on these expectations will directly contribute to our goal to increase patronage and reduce the reliance of Wellington's bus services on ratepayer and taxpayer subsidies.

Further detail on our service expectations is set out in Schedule 3 (Passenger Services) of the Contract.

4.3 Customer Service Standards

GWRC has established the following baseline Customer Service Standards. In performing services under the Contract, each Operator is required at all times to:

- Ensure that all services are delivered safely
- Ensure that all services offer a clean and comfortable travelling environment
- Ensure that all services run on time
- Keep all customers informed
- Treat all customers with respect and provide friendly and courteous service
- Ensure access for everyone
- Respond to and act on feedback.

The Customer Service Standards have been created by GWRC after consideration of feedback from existing and potential future operators on the Contract.

Details can be found in Annexure 2 (Customer Service Standards) of the Contract.

4.4 Bus Unit Timetables

Responses to this RFT are to be based on the Bus Unit Timetable information that is provided in the PTOM Service Specifications found in section 05 of the Data Room. The future Bus Unit Timetable, particularly for those routes servicing Wellington City, represents a change from the current timetable.

The Wellington City bus network has been redesigned to simplify the routes and make more frequent services available to more people, with less service duplication and fewer buses on the Golden Mile. The new Wellington City bus network is timed to commence in conjunction with the new bus operating contracts. For further information on the new bus network please refer to the Information Memorandum.

The publicly available timetables for all current routes can be found on the Metlink website: <https://www.metlink.org.nz>

4.5 Capacity

Providing bus services that have sufficient capacity is important for passenger comfort and safety. It will be the Operator's role to ensure that all services are delivered in accordance with the capacity requirements set out in Appendix 1 (Bus Unit Route Specifications), Appendix 2 (Bus Unit Timetable: Public Routes) and Appendix 3 (Bus Unit Timetable: School Routes) of Schedule 2 (Agreement Details) of the Contract for the route to which the service relates. Note that where capacity needs to be increased due to patronage growth, the Contract provides an appropriate variation mechanism for growth buses.

4.6 Delivering services for Special Events

Operators will work in conjunction with GWRC to identify special events occurring in the Wellington region that are likely to require additional capacity. Special Event Services may include additional (non-scheduled) bus services and/or additional security. For annual events, and for those events known in advance, these will be included in a Special Events Plan, to be produced as part of our joint annual business planning process. Operators will be required to deliver the services in the Special Events Plan, and a fee will be paid to you for delivering those services.

Additional special events, such as street parades, may require shorter notice to plan and deliver. These will be planned jointly between GWRC, Operators and, if required, the relevant Territorial Local Authority.

4.7 Communicating customer information

Timely and informative communication with customers is recognised as a critical contributor to customer satisfaction.

Methods currently used to communicate with our bus customers include:

- Metlink website, social media, call centre and email channels
- The RTPI System
- Printed timetables, brochures and other collateral
- Radio advertising
- On-site personnel at bus stops and on buses.

Under Annexure 3 (Customer Communication and Information Systems) of the Contract, the Operators' role in communicating with customers will include:

- Providing up to date and accurate input to Metlink's customer communication channels
- Communicating up to date and accurate information to:
 - **Passengers** who are on buses or at stops at the time of a delay or event
 - **Metlink** about any delay or event
- Proactively providing notice of planned Service Disruptions to Metlink.

4.8 Electronic ticketing to be provided by GWRC

GWRC's intention for the future is that public transport users will have just one electronic form of ticketing for all their public transport travel, regardless of the services and modes they need to use for their journey.

Prior to the rollout of the fully integrated fares and ticketing solution, at the commencement of PTOM Contracts for bus services, GWRC will provide a common electronic ticketing system to PTOM bus Operators.

Operators will be required to wire their bus fleet for installation of the electronic ticketing system. Details of wiring requirements are included in Schedule 4 (Vehicle Quality Standards) of the Contract.

4.9 Introduction of Integrated Fares & Ticketing

The introduction of an integrated fares and ticketing system (IFT) is a key development initiative that GWRC intends to implement in the early years of the Contract. IFT will include a new suite of fare products and electronic ticketing that is integrated across modes.

GWRC is still to confirm the exact fare structure and products available under IFT. However, the RPTP provides policy direction on this which aims to:

- Maintain a zonal fare structure
- Simplify and standardise fare products across modes and services
- Remove transfer penalties, so a trip between two points has the same fare irrespective of the number of vehicles used

- Provide discounts to reward regular users through fare capping, rather than discounted ten-trip and monthly passes
- Provide an off-peak discount to spread peak demand and to increase access to affordable services, subject to affordability.

The RTPP also includes policy on targeted concessions. These are:

- Free travel on all services for children under five years old
- A 50% concession fare on all services for children and young adults aged from five to 18 (or until they leave secondary school if that is later)
- Continued free travel for all SuperGold card holders outside peak hours.

Operators will play an important role in the development and rollout of GWRC's new suite of fare products, and in the design and implementation of an efficient electronic ticketing system and revenue protection system on buses.

4.10 An overview of commercial terms

The Partnering Contract Summary can be found in the Information Memorandum. This includes an overview of requirements in respect of service delivery, performance regimes, service payments, assets, security arrangements, and transition. Tenderers should not rely solely on this overview and must fully satisfy themselves of the requirements of the Contract.

Note that GWRC will not accept changes, tags, departures or caveats that apply to the Contract, other than where changes may be required for Alternative Tenders. The process for Alternative Tenders is outlined in section 7.3.

4.11 Patronage data

GWRC has provided the 3 most recent years' patronage data on the Wellington region Bus Network in the Information Memorandum found in section 04 of the Data Room.



5. Fleet and emissions

5.1 Fleet strategy

Fleet improvements are a key element in reducing journey times, increasing service reliability, improving passenger amenity and contributing to increasing patronage. Fleet improvements are also important in GWRC's strategies for improving operating efficiency and environmental outcomes across the region, particularly in relation to climate change and air quality.

This Tender Process provides the opportunity to modernise the regional bus fleet. Many of the over 500 buses that currently run on the Metlink network are reaching their 'use by' date or will no longer comply with the national requirements for emission standards. Due to the cost of upgrading the power supply, cost of ongoing maintenance and constraints on operational efficiencies, the trolley buses are also due for retirement. GWRC wishes to see the regional bus fleet transition to environmentally sustainable, low emission vehicles, with an ultimate ambition of an all-electric bus fleet in future.

De-congesting the Golden Mile is a critical element in providing the level of frequency, speed and reliability in Wellington City needed to make a step-change in service levels that will attract new customers to public transport. Planned network changes will help to reduce peak bus volumes on the Golden Mile. However, this reduction on its own is not sufficient to solve the problem of Golden Mile bus congestion nor provide the capacity to accommodate future projected growth in public transport usage.

Increasing the average utilisation of each city bound bus provides a means of reducing the number of buses required while still carrying the same number of passengers. Our strategy therefore includes the introduction of higher capacity (including double decker) buses on main bus routes as a means to reduce bus congestion on the Golden Mile while also future proofing for future projected growth.

All fleet provided by Operators must comply with the Transport Agency's Requirements for Urban Buses (RUB) and GWRC's Vehicle Quality Standards (VQS).

5.2 Emissions

Reflecting the importance to GWRC of lowering greenhouse gas (GHG) emissions and other harmful pollutants from the regional bus fleet, Tenderers are encouraged to offer the most cost effective fleet that meets GWRC's aspirations. As part of GWRC's Tender evaluation process for the Bus Units, the emissions profiles of all bus fleets tendered will be evaluated for the level of both harmful emissions and GHG emissions produced over the nine-year term of the Contract. Emissions will be valued for each tendered fleet by estimating the total emission outputs for five pollutants – CO₂, PM₁₀, NO_x, HC & CO – and assigning a dollar value to that output based on the economic social costs attributed to each pollutant. See section 9 (Evaluation) which sets out the process for evaluating vehicle emissions.

The assessment of fleet emissions is quantitative, using an 'economic cost to society' approach to calculate a monetised value of emissions. Generalised production rates of emissions will be calculated for the different Euro standard of bus tendered and for any alternative motive power such as hybrids and fully electric buses. Recognising that fleet may be upgraded by Operators during the term of the Contract, Tenderers are required to submit their proposed fleet composition for each Year of the Contract by stipulating the numbers of different Euro standard buses, bus sizes and any alternative motive power options. This information is included as part of Returnable Part 3.

The approach quantifies the emissions profile of a proposed fleet into a nominal dollar value. This dollar value will be offset against the Tender price in accordance with section 9 (Evaluation) to reflect the benefit of a lower emitting fleet in such a way that a lower value emissions profile will contribute more favourably to the overall evaluation score.

Due to wider benefits and other considerations, proposals that include electric buses must be Tendered as an Alternative Tenders in accordance with the process for submitting Alternative Tenders set out in this RFT. This will allow wider aspects, than solely emissions benefits, to be considered in the evaluation of electric bus proposals.

If your organisation is tendering Vehicles that do not fit within the engine type categories in Tables 3-7 of Appendix 2, please contact the PTOM Bus project team via the Data Room in confidence. GWRC will consider the application of specific emission factors for engine types not provided for in Appendix 2 in its evaluation of tendered fleets. Tenderers will be required to support a request to Tender non-specified engine types with verifiable empirical evidence of the emissions performance of such Vehicles. Refer to Appendix 2 for further information.

5.3 Transferring vehicles and Transferring Depots

All Double Decker buses which form part of the Operator's fleet for a Bus Unit (as specified in Returnable Part 3) which are required to deliver Passenger Services in accordance with the Bus Unit Timetable for that Bus Unit will be Transferring Vehicles. The ownership of Transferring Vehicles transfers to GWRC at the end of term of the Contracts in accordance with the terms of the Contract. Double Decker buses must be New Vehicles, otherwise they will not be Transferring Vehicles and must be available on the Commencement Date.

GWRC will consider including other specialised vehicles in the Transferring Vehicles category on a case by case basis. Tenderers who are considering offering specialised vehicles and consider that there is value to GWRC in the transfer of these vehicles at the end of the term of the Contract, are requested to discuss these options at a Tender Interactive Meeting. A Tenderer may only propose to expand the category of Transferring Vehicles to include specialised Vehicles which are not Double Decker buses required to meet the Bus Unit Timetable through an Alternative Tender (not a Conforming Tender) and only in accordance with the process for submitting Alternative Tenders set out in section 7.3 of this RFT.

All depot facilities specifically acquired by the Operator for the purposes of the Contracts after 30 September 2015 will be Transferring Depots (as specified in the Depot Acquisition Programme submitted as part of Returnable Part 2b) - see Schedule 2 of the Contract. This excludes any Depots which will be used on a temporary basis prior to establishing permanent Depots. The ownership of Transferring Depots transfers to GWRC at the end of term of the Contracts in accordance with the terms of the Contract.

GWRC will consider including other Depots used in the provision of the Services under the Contracts in the Transferring Depots category on a case by case basis (for example Depots which were acquired prior to 30 September 2015). Tenderers who consider that there is value to GWRC in the transfer of such Depots to GWRC at the end of the term of the Contract must discuss these options at Tender Interactive Meetings. A Tenderer may only propose to expand the category of Transferring Depots through an Alternative Tender (not a Conforming Tender) and only in accordance with the process for submitting Alternative Tenders set out in section 7.3 of this RFT.



6. Preparation and submission of Tenders

This RFT is an invitation for bus operators to submit a Tender or Tenders for bus services in the Wellington region.

This RFT is an open, single stage process. All available Bus Units are being tendered at the same time, in a single tranche.

GWRC reserves the right to change any aspect of this programme at any time.

6.1 Information channels

Information will be provided to Tenderers through the following channels:

- The Data Room – see section 6.2 of this RFT
- Tenderer Briefing – see section 6.6 of this RFT
- Q&A facility in the Data Room – see section 6.2 of this RFT
- The opportunity to meet with GWRC to discuss Alternative Tenders or discuss any aspect of the RFT Documents through the Tender Interactive Meetings – see section 6.6 of this RFT
- PTOM Bus email address: ptombus@gw.govt.nz – see section 6.3 of this RFT.

All information will be provided to Tenderers in a consistent and equitable manner in accordance with the [Terms and Conditions](#) of this RFT.

6.2 Data Room

The Data Room is an online repository containing the RFT and supporting documentation for preparation of Tenders.

The Data Room also has a Question and Answer (Q&A) function that Tenderers can use to ask GWRC Questions and receive Answers. See section 10.17 in respect of the Q&A Process.

Section 01 of the Data Room contains a Data Room User Guide and a Data Room map, outlining the structure of the Data Room sections.

GWRC will make available the following information in the Data Room:

- RFT and Returnables
- The Contract
- Information Memorandum
- Notice to Tenderers and Addendum
- Supporting documentation
- Any other information added by GWRC from time to time.

6.3 Contacting GWRC about the Tender Process or RFT Documents

Tenderers can seek clarification about the Tender Process and RFT Documents through the following channels:

Table 2 – Communication channels and when to use them

| Channel | When to use this channel |
|---|--|
| PTOM Bus email address: ptombus@gw.govt.nz | For procedural contact only in accordance with 6.5 below For example to arrange a Tender Interactive Meeting time |
| Q&A function in the Data Room | All questions relating to the RFT Documents or the Tender Process |

See the RFT Terms and Conditions in respect of communications with GWRC.

6.4 Amendments to the RFT Documents and additional information

GWRC may amend any aspect of the RFT Documents and add additional information or Addendum at any time by issuing a Notice to Tenderers (NTT) outlining the amendment (NTTs). Amendments will be issued electronically in the form of NTTs or Addendum and once issued become part of or change (as applicable) the RFT Documents and must be complied with by the Tenderer.

GWRC is not obliged to provide any reason for the issuance of an NTT or Addendum.

6.5 Key dates

The key activities and their associated dates are given below. Please note, these dates are indicative only and subject to further change at GWRC's discretion.

Table 3 – Key dates

| Activity | Date |
|--|-----------------|
| RFT issued | 11 August, 2016 |
| Clarification period opens | 15 August, 2016 |
| Tenderer Briefing | 24 August, 2016 |
| Requests to attend Tenderer Briefing close | 22 August, 2016 |

| | |
|--|---|
| Requests for a Tender Interactive meeting with GWRC closes | 2 September, 2016 |
| Tender Interactive Meetings | 5 – 9 September, 2016 |
| Clarification period closes | 27 October, 2016 |
| Tender close date | 3 PM – 3 November, 2016 (New Zealand Time) |
| Evaluation and selection | November, 2016 – April, 2017 |
| Tenderers notified | May, 2017 |
| Contracts awarded | May, 2017 |
| Service commencement | July, 2018 (School holidays) |

6.6 Tenderer Briefing

GWRC invites Tenderer's to attend a Tenderer Briefing on 24 August 2016, in Wellington. GWRC will present the tender opportunity and provide key information about the RFT Process. During this Tenderer Briefing, Tenderers will have the opportunity to ask questions and receive responses from GWRC.

To attend this Briefing, please email ptombus@gw.govt.nz by no later than 22 August, 2016.

Attendance at this event is optional and not a prerequisite for Tender submission.

GWRC will notify all recipients of the RFT of any changes to the time, date or location of the Tenderer Briefing.

6.7 Tender Interactive Meetings

Tenderers can meet one-on-one with GWRC to discuss their ideas for Alternative Tenders and any aspect of the RFT Documents.

Tenderers can book a Tender Interactive Meeting by emailing ptombus@gw.govt.nz by 2 September, 2016.

6.8 Clarification period

The formal Q&A channel in the Data Room will open on 15 August, 2016 and Tenderers can submit Questions to GWRC up until 5pm 27 October, 2016.

6.9 Date for submission

Tenders must be submitted to GWRC by the Tender Closing Date, as specified in section 6.5 of this RFT.

See the RFT Terms and Conditions in respect of any failure to submit a Tender by the Tender Closing Date.

6.10 Address for submitting Tenders

Tenders must be clearly labelled and be delivered to:

The Tender Box
Greater Wellington Regional Council
Shed 39, 2 Fryatt Quay, Pipitea
Wellington 6011
Attention: PTOM Tender Manager

A faxed or e-mailed Tender will not be accepted.

6.11 English Language

All documents submitted by Tenderers in response to this RFT must be written in English.

6.12 Submission requirements

Tenders must be submitted using the Returnables (provided in the Data Room) and comply with the requirements outlined in this RFT. A summary of the submission requirements is outlined below in Table 5 – Submission requirements.

No general marketing or promotional material is to be submitted, unless it is a direct response to a specific requirement contained in this RFT or the Returnables.

Unnecessarily elaborate responses or excessively large attachments, beyond what is reasonably required to ensure Tenders comply with the requirements of this RFT, are discouraged. We reserve the right to disregard any such Tender(s) (in whole or in part).

6.13 Returnables

When developing a response to this RFT a Tenderer is required to complete and submit the Returnables listed below, and comply with any instructions contained in the Returnables.

The Returnables are:

Part 1 – Preliminary Matters

Part 2a – Tenderer-specific quality proposal (separate Instruction Booklet and Response Template, with only the Response Template required to be submitted to GWRC)

Part 2b – Tender-specific quality proposal (separate Instruction Booklet and Response Template, with only the Response Template required to be submitted to GWRC)

Part 3 – Fleet emissions profile

Part 4 – Pricing Template

Part 5 – Tenderer's Capacity (expressed as total Peak Vehicle Requirements)

Part 6 – Due diligence

Submission checklist – to help Tenderers make sure their Tender submissions are complete before submitting to GWRC.

Important notes:

- Parts 1, 2a, 5 and 6 are evaluated at a Tenderer level; consequently these Returnables only need to be submitted once per Tenderer
- Parts 2b, 3 and 4 are evaluated at a Tender level and Returnables must be submitted once for each separate Tender and for each separate Alternative Tender
- The Part 1 Returnable includes a Tenderer Declaration which must be executed by the Tenderer

GWRC will accept Tenders from Consortiums and where the Tenderer comprises a Consortium, the Tenderer Declaration must be executed by each Consortium Member.

6.14 Two-envelope approach

The GWRC is adopting a 'two-envelope' approach to evaluation:

Envelope 1 contains all non-price information ie, all Returnables except Part 4.

Envelope 2 contains all pricing information ie, Returnable Part 4 only.

Tenderers must keep all information regarding price in a separate sealed package from their response to the non-price components of this RFT. For more information, see Table 5 – Submission requirements and section 6.18 for an example what should be included in the two envelopes.

6.15 Page limits

Tender responses requested for Parts 2a and 2b (quality proposal) have page limits for each section of these Returnables. Tenderers must keep their responses within each page limit specified. Any information provided beyond each page limit will be ignored in the evaluation of Tenders.

Note that any supplementary information submitted as a separate document as part of a response counts towards the page limit for that section. The only exception is for Part 2b question 2. (b) and (j), where the table of Contract changes (if any) required and the revised Bus Unit Timetable (if applicable) can be in addition to the page limit.

6.16 Electronic and printed copies

The number of electronic and printed copies required for each Returnable is outlined in Table 5 – Submission requirements for Returnables.

Other than for Parts 2a and 2b and the executed Tenderer Declaration, GWRC requires only electronic copies of Returnables – to reduce paper waste and printing costs.

If there is a difference in the content, between the printed and electronic copies, the printed Returnables will prevail.

Electronic copies of Returnables can be submitted on either a CD-ROM or a USB data storage device (commonly known as a USB flash drive, USB drive, memory stick, jump drive or Thumb Drive). Make sure to follow the electronic file naming conventions described in section 6.17.

Printed copies of Parts 2a and 2b Returnables need to be bound together, with Part 2a first. Separate the Parts with a coloured sheet of paper or tab divider. Clearly label the front of the bound copies.

Tenderers must also submit one unbound printed copy of the Part 2a and 2b Returnables.

The response to Part 2a is specific to each Tenderer and only needs to be submitted once.

For Part 2b, a Tenderer may tender for multiple Bus Units and/or multiple Bundles of Bus Units – with a Part 2b Returnable required for each Bus Unit and Bundle of Bus Units tendered (but not each Bus Unit within a Bundle). Again, use a coloured sheet of paper or tab divider to separate each version of the Part 2b Returnable.

Tenders must also submit the original executed Tenderer Declaration in the Part 1 Returnable.

6.17 Electronic file naming conventions

Use the following electronic file naming conventions for the file names of all Returnables.

Table 4 – Electronic file naming conventions

| File type | File naming convention |
|--|--|
| <p>For Tenderer-specific files (Part 1, Part 2a, Part 5 and Part 6)</p> <p>For the Part 1 scan of the executed Tenderer Declaration</p> <p><i>If more than one Declaration (ie, for Consortium Members) – include all Declarations in one PDF document</i></p> | <p>Part [#]-[Tenderer name]</p> <p>Part 1-[Tenderer name]-executed Declaration</p> |
| <p>For Tender-specific files (Part 2b, Part 3 and Part 4)</p> | <p>Part [#]-[Tenderer name]-[Tender number], and where relevant-Alternative</p> |
| <p>For files that contain supplementary information, or if the information cannot practically be included within a Returnable</p> | <p>Part [#]-[Tenderer name]-[Tender number]-supplementary-[specific question number supplementary information answers or relates to]</p> |
| <p>For the Submission Checklist</p> | <p>Submission Checklist-[Tenderer name]</p> |

Important notes:

- The Tender number should start at 1 for the first Tender submitted by a Tenderer and increase in increments of 1 for each additional Tender submitted
- This numbering convention should be used consistently across all Returnables submitted
- The Tender number for an Alternative Tender should be the same as the corresponding Conforming Tender

E.g., if the Conforming Tender is:

‘Part 2b-Bus Co Ltd-1’

The Alternative is:

‘Part 2b-Bus Co Ltd-1-Alternative’

- If your organisation has multiple Alternative Tenders that correspond to one Conforming Tender, please differentiate each Alternative Tender by adding an additional level of numbering

E.g., if the Conforming Tender is:

‘Part 2b-Bus Co Ltd-1’

The 1st Alternative is:

‘Part 2b-Bus Co Ltd-1.1-Alternative’

The 2nd Alternative is:

‘Part 2b-Bus Co Ltd-1.2-Alternative’

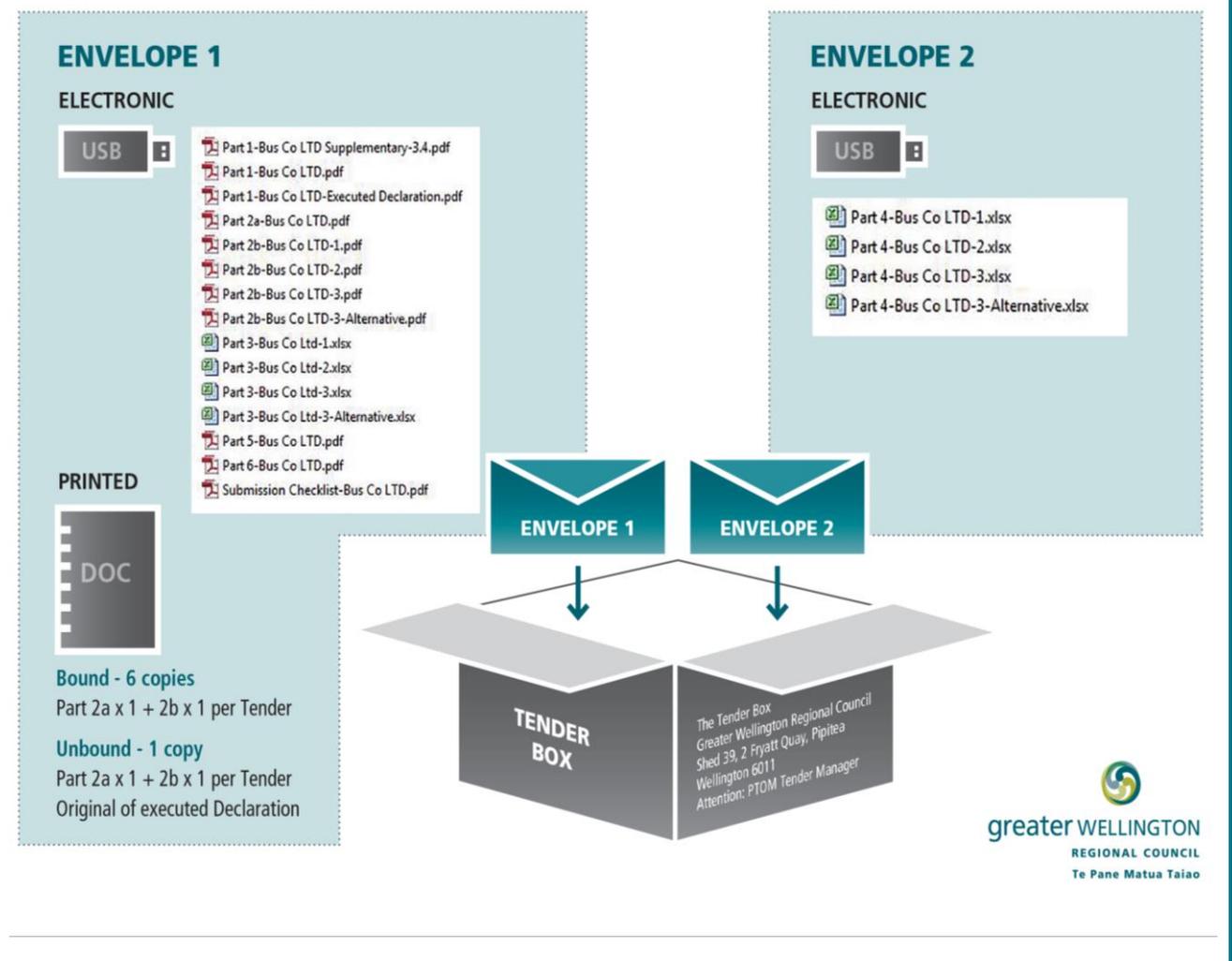
- Supplementary information that does not relate to a specific question will not be evaluated.

6.18 Tender document submission example for Bus Co LTD

Bus Co LTD are submitting the three following Conforming Tenders and one Alternative Tender:

1. North - South (individual Bus Unit)
2. North - South / Porirua (Bundle)
3. Lower Hutt / Upper Hutt/ Wainuiomata (Bundle)
4. Lower Hutt / Upper Hutt/ Wainuiomata - Alternative (Bundle).

Their submission contains:



6.19 Document formatting conventions

The following formatting conventions should be used for all Returnables – both the electronic and printed versions:

- All documents should be prepared using Arial font, size 11 – or an equivalent
- The Tenderer must ensure the file name (using the naming conventions of section 6.17 above), appears in the footer of each page of the Tender
- Reasonable use of graphics within the Tender is permitted
- The order of contents and structure of Tenders must follow the order and structure set out in the Returnables
- Start each subsection on a new page
- All printed information should be printed double sided onto A4 paper or A3 when display on A4 is not practicable.

Table 5 – Submission requirements for Returnables

| Returnable name | Number of copies and format | Envelope number | Submission at Tenderer or Tender level | Page limit applies | Notes |
|--|---|-----------------|--|--|--|
| Part 1 – Preliminary Matters | 1 electronic version 1 electronic PDF scan of executed Tenderer Declaration 1 printed and unbound original of executed Tenderer Declaration | Envelope 1 | Tenderer level Declaration needs to be signed by all Consortium Members | No | Information entered directly into this Returnable |
| Part 2a – Tenderer-specific quality proposal | 1 electronic version 6 printed and bound 1 printed and unbound | Envelope 1 | Tenderer level | Yes – see this Returnable for limits Supplementary information counts towards page limits | GWRC has provided a separate Instruction Booklet and Response Template |

| Returnable name | Number of copies and format | Envelope number | Submission at Tenderer or Tender level | Page limit applies | Notes |
|--|--|--|--|--|--|
| Part 2b – Tender-specific quality proposal | 1 electronic version 6 printed and bound 1 printed and unbound | Envelope 1 | Tender level | Yes – see Returnable for limits Supplementary information counts towards page limits (except Part 2b, question 2 (b) (changes required to the Contract) and (j) (Revised Bus Unit Timetable)) | GWRC has provided a separate Instruction Booklet and Response Template |
| Part 3 – Fleet emissions | 1 electronic version | Envelope 1 | Tender level | No | Enter responses directly into Excel spread sheet Overview is on first tab |
| Part 4 – Pricing template | 1 electronic version | Envelope 2 Must be in a separate sealed package | Tender level | No | Enter responses directly into Excel spread sheet |

| Returnable name | Number of copies and format | Envelope number | Submission at Tenderer or Tender level | Page limit applies | Notes |
|------------------------------|------------------------------------|------------------------|--|---------------------------|---|
| Part 5 – Tenderer’s Capacity | 1 electronic version | Envelope 1 | Tenderer level | No | Information entered directly into this Returnable |
| Part 6 – Due diligence | 1 electronic version | Envelope 1 | Tenderer level and if applicable completed by each Consortium Member and in accordance with the instructions in Part 6 | No | Information entered directly into this Returnable |
| Submission Checklist | 1 electronic version | Envelope 1 | Tenderer level | No | Information entered directly into this Returnable |



7. Conforming and Alternative Tenders

7.1 Bundling of Bus Units

Bundling of Bus Units is permitted and encouraged. GWRC recognises that operators are best placed to understand where synergies and economies of scale may exist, and does not want to stifle innovation by prescribing or constraining Bus Unit Bundles. Therefore, GWRC has placed no limitations on the number of Bus Units included in a Bundle, or the number of Bundles or individual Bus Unit Tenders that a Tenderer may tender for.

Each Bus Unit (including those awarded as part of a Bundle) will be subject to a separate Contract, to enable contract management to occur at a Bus Unit level and to preserve the Bus Unit structure for subsequent procurement rounds.

Where a Tenderer submits a Bundled offer, individual Bus Unit prices and fleet profiles must still be submitted for that Bundle – for the purposes of Tender evaluation and contracting. Returnable Parts 3 and 4 are split into separate tabs for each Bus Unit. While the individual Bus Units in a Bundle must be separable for contracting purposes, this will only occur within the context of GWRC accepting a Tender in respect of all Bus Units within the successful Bundle ie, GWRC will not ‘unpick’ Bundles by selecting a Tenderer as a Preferred Tenderer in respect of some but not all of the Bus Units within a Bundle.

7.2 Conforming Tenders

A Conforming Tender must:

- Be an offer capable of acceptance by GWRC
- Be submitted by the Tender Closing Date
- Clearly achieve GWRC's specified objectives and requirements as set out in this RFT
- Not include changes, tags, departures or caveats that apply to the Contract
- Comply with the terms of this RFT
- Include all fully completed Returnables
- Have a Tenderer's Capacity which is not less than the PVR of any individual Bus Unit within a Tender or the combined PVR of each Bus Unit within a Bundle. The PVR for each Bus Unit used to assess the Tenderer's Capacity is that set out in Returnable Part 5.

7.3 Alternative Tenders

Alternative Tenders are permitted, but GWRC will only accept and evaluate an Alternative Tender where:

- A Tenderer has also submitted a Conforming Tender for the same Bus Unit and/or Bundle to which the Alternative Tender relates
- The Tenderer has received prior written approval from GWRC to submit that Alternative Tender.

Reminder: All electric vehicles must be tendered as an Alternative Tender.

7.4 Tender Interactive Meetings

If a Tenderer wants to submit an Alternative Tender they must first discuss the nature of the Alternative Tender with GWRC at a Tender Interactive Meeting.

The purpose of the Tender Interactive Meetings in respect of Alternative Tenders is to ascertain GWRC's appetite for the proposed outputs of the Alternative Tender and the changes to the requirements in the RFT Documents and the Contract proposed in the Alternative Tender. Following this meeting, GWRC will respond in writing to the Tenderer to confirm whether GWRC will or will not permit the Tenderer to submit the Alternative Tender which was the subject of the Tender Interactive Meeting.

The purpose of a Tender Interactive Meeting, other than in respect of Alternative Tenders, is to allow Tenderers to raise and discuss with GWRC any concerns or issues that a Tenderer may have relating to the RFT Documents (including the Contract). GWRC will provide non-binding feedback on the issues raised during such meetings.

Tenderers should not propose Alternative Tenders in order to change, tag, departure on or caveat the Contract.

Tender Interactive Meetings will be held in Wellington during the dates specified in section 6.5 of this RFT.

Tenderers should email ptombus@gw.govt.nz by the date specified in section 6.5 of this RFT if they would like a Tender Interactive Meeting with GWRC.

Please note, these meetings are not an opportunity for Tenderers to present submissions or pitch for tendered Bus Units.

All aspects of Alternative Tenders discussed at these interactive meetings will remain confidential between GWRC and the Tenderer up until the Tender Closing Date, subject to the permitted disclosures referred to in section 10.10 (Confidentiality).

7.5 Approved submissions for Alternative Tenders

If a Tenderer is given written approval by GWRC to submit an Alternative Tender, each Alternative Tender should:

- Be submitted as a separate Tender and be clearly marked as an 'Alternative'
- Follow the same submission requirements as for a Conforming Tender as set out in this RFT, including submitting two envelopes, with a completed Pricing Template in a separate envelope to the non-price Returnables. For more requirements, see section 6
- Be in a form that constitutes a valid, irrevocable and unconditional offer open for acceptance for 270 days after the Tender Closing Date, which is open to be accepted by GWRC without any need for clarification or negotiation
- Include fully completed responses to Part 2b, Part 3, and Part 4 Returnables.

Each Alternative Tender should clearly describe in Returnable 2b:

outputs of the Alternative Tender

- | | |
|---|---|
| (a) The extent to which the Alternative Tender proposal departs from the requirements of the RFT | (h) Any costs, whether indicative or known, that would be borne by GWRC or other parties that are not included within the Tenderer's Price set out in Returnable Part 4. Note: No information relating to the Tenderer's price is to be included in the Part 2b Response Template |
| (b) All changes required to the Contract as a result of the Alternative Tender, which should be set out in the form of a table including each amendment required to the Contract and the drafting for such changes | (i) Any other information that will enable GWRC to evaluate this proposal, including eg, specifications and descriptions for Specialised Vehicles, including electric vehicles, and verifiable evidence of operational and emissions performance |
| (c) The qualitative advantages and disadvantages to GWRC, customers, and the Wellington region's Public Transport Network, of the Alternative Tender | |
| (d) The additional benefits that the Alternative Tender adds over and above the corresponding Conforming Tender | (j) If the Alternative Tender proposes a change to the Bus Unit Timetable, please provide the new timetable (in the same form as the Bus Unit Timetables provided in this RFT), clearly showing the proposed changes. |
| (e) How the Alternative Tender differs from the corresponding Conforming Tender, including any changes that would be required to the role(s) and/or responsibilities of GWRC and any other parties | |
| (f) Any interdependencies with activities of any other party, any flow on effects to other parts of the network, and/or any requirements for the provision of services or infrastructure by any other party, that is not envisaged within a Conforming Tender | |
| (g) The risks and proposed mitigations associated with the | |

GWRC may, at its absolute discretion, evaluate or not evaluate, or accept or reject an Alternative Tender, regardless of if:

- The Alternative Tender complies with the requirements of this RFT
- The Tenderer has received prior written approval from GWRC to submit that Alternative Tender.

If an Alternative Tender is accepted for evaluation, the same quality evaluation criteria will apply to that of a Conforming Tender.



8. Governance and probity

8.1 Project governance

Strong and clearly defined project governance arrangements are essential to the integrity of the project. Responsibility for delivery of the RFT sits with the Programme Director Bus Service Transformation, and GWRC Councillors will be responsible for final decision-making.

8.2 Probity principles and project compliance

Ensuring compliance with best procurement practice for national and local government entities, and accepted probity principles in the Tender Process and delivery of the project is of fundamental importance to GWRC.

GWRC's Probity Framework and Probity Plan (Bus) can be found in section 07 of the Data Room.

Robert Buchanan has been appointed to act as the independent Probity Advisor for the

project and Audit New Zealand has been appointed to act as the Probity Auditor for the project.

The roles of the Probity Advisor and Probity Auditor are to provide advice and assurance respectively to GWRC's Chief Executive and project team, that the project has acted consistently with the required probity principles in all material respects.

The Probity Advisor and Probity Auditor are not part of the Tender Evaluation Teams and will not evaluate any Tenders. However, either may attend meetings of the Tender Evaluation Teams as an independent observer and will have access to other aspects of the Tender Process for example attending Tender Interactive Meetings or any other meetings or presentations required.

The process for Tenderers to raise concerns about the conduct or probity of the Tender Process is set out in the RFT terms and conditions.

Table 6 Probity Advisor and Auditor contact details

| Probity Advisor contact details: | Probity Auditor contact details: |
|---|---|
| <p>Robert Buchanan</p> <p>Barrister and Solicitor - Public Law and Governance</p> <p>PO Box 5542</p> <p>Wellington 6145</p> <p>Telephone: +64 4 499 9469</p> <p>Mobile: +64 27 229 1769</p> <p>E-mail: robert@buchananlaw.co.nz</p> | <p>Peter Davies</p> <p>Audit New Zealand Mana Arotake Aotearoa</p> <p>PO Box 99</p> <p>Wellington 6140</p> <p>Telephone: +64 021 222 4824</p> <p>E-mail: peter.davies@auditnz.govt.nz</p> |



9. Evaluation

9.1 Evaluation activities

Following receipt of Tenders, GWRC may, in its absolute discretion:

- Seek clarification or ask for additional information via written requests and/or interviews – see section 10.18 (Clarifications and additional information)
- Request a presentation or conduct interviews or workshops
- Undertake reference or referee checks
- Request the Tenderer’s attendance at any meeting GWRC considers necessary to evaluate or clarify the Tender

- Without limiting section 10.25 (Changes to the Tender Process and rights reserved) allow a Tenderer to correct an unintentional or inadvertent clerical or administrative error in its Tender (including where that error becomes apparent or known after the Tender Closing Date) where GWRC is satisfied the correction will not alter the substance of the Tender
- Undertake site visits by GWRC to the Tenderer’s relevant site(s).

All evaluation activities will be undertaken or initiated by GWRC at its sole discretion, with one or more of the Tenderers on one or more aspects of their Tender.

Tenderers should not rely on being invited to make a presentation or to provide further information prior to the announcement of the Preferred Tenderer/s.

9.2 Selected evaluation methodology

The New Zealand Transport Agency’s Procurement Manual, Appendix C (*Supplier selection method*) sets out the options for the evaluation of public transport tender bids, with the objective of obtaining best value for money. Of the available evaluation options, GWRC has selected the Price Quality Methodology (PQM) (without disclosure of the estimate) for evaluating Tenders – with some adaptations to account for GWRC’s specific objectives in this RFT.

Under the Price Quality Methodology GWRC has chosen the weighting given below:

Table 7 – Price Quality Weighting

| Price | Quality |
|-------|---------|
| 60% | 40% |

The key adaptations which GWRC will apply to the evaluation of Tenders are:

- Applying a quantitative assessment of the emissions profile of each bus fleet tendered – see Appendix 2: Fleet emissions calculation for more information
- Allowing Tenderers to specify their maximum contractual capacity in terms of Peak Vehicle Requirements (PVR) – see Stage 6: Tenderer’s Capacity for more information
- Carrying out a market concentration assessment – see Stage 8: Market concentration for more information
- Selecting Preferred Tenderers on the basis of the best value for money outcome (as reflected in the Evaluation Adjusted Price) at a region-wide level.

9.3 Information used for evaluation

GWRC will evaluate each Tender based on:

- The Tender Returnables and Response Templates submitted in response to the RFT
- Any material provided in response to requests for clarification from GWRC
- Reference checks with the referees nominated by the Tenderer
- Supplementary information obtained if GWRC requires a Tenderer to

participate in an interview or give a presentation in relation to its Tender

- Any information gathered or brought to GWRC’s (including its employees’, advisers’ and consultants’) attention during the Tender Process
- Any other information that GWRC (including its employees, advisers and consultants) selecting a Preferred Tenderer or to conducting the Tender Process.

9.4 Evaluation process

This section sets out the process that GWRC will follow for evaluating Tenders.

9.4.1 Stage 1: Pre evaluation

Each Tender will be subject to a series of pre-evaluation checks to ensure it complies with the requirements specified in this RFT. Where a Tender does not comply, GWRC may seek clarification or additional information from the Tenderer and depending on the seriousness of the non-compliance, or any other facts GWRC considers relevant, may disqualify from the Tender Process any Tender that does not comply. If a Conforming Tender is disqualified by GWRC, any equivalent Alternative Tender will also be disqualified.

9.4.2 Stage 2: Quality evaluation

GWRC will evaluate the quality proposal (Parts 2a and 2b) based on the weightings in the following table.

Table 8 – Quality attributes and weightings

| Quality attributes | Sub-attributes | Sub-attribute weighting | Percentage allocation of Quality Attribute | |
|---------------------------------------|--|-------------------------|--|---------------|
| Confidence in service delivery | Relevant experience | 7% | 55% | |
| | Operator performance | 13% | | |
| | Innovation (organisational approach) | 5% | | |
| | Organisation | 9% | | |
| | Transition experience | 6% | | |
| | Transition plan | 25% | | |
| | Approach to service delivery and plans | 25% | | |
| | Approach to fleet management | 10% | | |
| Partnering and corporate culture | Approach to partnering | 33% | 15% | |
| | Corporate culture | 23% | | |
| | Recruitment and training | 22% | | |
| | Health and safety | 22% | | |
| Customer service and patronage growth | Customer service | 60% | 30% | |
| | Patronage growth | 10% | | |
| | Managing service disruptions | 30% | | |
| | | | Total | 100% (of 40%) |

Each quality attribute will be scored within a range of 0-100 using the quality scoring framework set out below in Table 9 – Quality scoring framework. This framework broadly follows the scale presented in Rule 10.14 of the Transport Agency’s Procurement Manual and is weighted, based on the percentages set out above, to determine a total quality score for that Tender.

Note that GWRC will eliminate any Tender where any Quality Attribute set out in Table 8 – Quality attributes and weightings scores 35 or less out of a possible 100.

GWRC may at its discretion eliminate any Tender where any sub-attribute scores less than 35 out of 100. GWRC may consider the overall weighted score of the relevant quality-attribute in its determination.

The initial Supplier Quality Premium (SQP) for each Tender will be calculated and confirmed in accordance with the methodology set out in Appendix C of NZTA’s Procurement Manual using GWRC’s confidential shadow bid model as the ‘estimate’.

Alternative Tenders will be assessed in accordance with the methodology set out in section 10.17 (*Added value premium*) of the Procurement Manual. This will result in an Added Value Premium (AVP) being calculated for any Alternative Tender.

Other information GWRC will take into account during the Quality Evaluation

GWRC may take into account any additional information it considers relevant to its Tender evaluation process during Stage 2: Quality evaluation, as set out in section 9.3 (Information used for evaluation).

During Stage 2: Quality Evaluation, a review of core metrics associated with the Tenderer’s resourcing of the Bus Unit Timetable will be undertaken, to determine if the Tender Evaluation Teams have any concerns or identify any risks associated with the resourcing levels proposed by the Tenderer.

If the review identifies any concerns or risks, GWRC may then seek clarification from the Tenderer – which may include GWRC requesting the Tenderer submits its working timetables for further review and confirms its key metrics.

Table 9 – Quality scoring framework

| Score | Description | Requirements |
|-----------------------|---|--|
| 90, 95, or 100 | Excellent (significantly exceeds the criterion) | <p>Demonstrates exceptional compliance or ability to convey exceptional provision of the requirement.</p> <p>A requirement does not meet this description unless it is outstanding and exceeds the criterion. Exceptional demonstration by the Tenderer of the relevant ability, understanding, experience, skills, resource and quality measures required to meet the criterion. Proposal identifies factors that will offer significant potential added value, with supporting evidence.</p> <p>In addition, to meet this description the lower descriptions must also be met.</p> |
| 75, 80, or 85 | Very Good (exceeds the criterion in some aspects) | <p>Requirements are fully covered in all material aspects. In order to be 'very good' so as to meet this description there must be no aspect of the requirement not met.</p> <p>Satisfies the criterion with minor additional benefits. Above average demonstration by the Tenderer of the relevant ability, understanding, experience, skills, resource and quality measures required to meet the criterion. Proposal identifies factors that will offer potential added value, with supporting evidence.</p> |
| 60, 65, or 70 | Good (meets the criterion in full) | <p>Requirements are adequately covered.</p> <p>Satisfies the criterion in full. Demonstration by the Tenderer of the relevant ability, understanding, experience, skills, resource and quality measures required to meet the criterion, with supporting evidence.</p> <p>This description describes a criterion that has no deficiencies at all. That is, it has no failing, shortcoming or absence in respect of any technical specification or requirement.</p> <p>This description is a step change above the description below.</p> |
| 50 or 55 | Minor Reservations (marginally deficient) | <p>Adequate, with some deficiencies that are not likely to have any adverse effect. Mainly satisfies the criterion with minor reservations. Minor reservations of the Tenderer's relevant ability, understanding, experience, skills, resource and quality measures required to meet the criterion, with some supporting evidence. The only circumstance where such a failing, shortcoming or absence would prevent the description from applying is where it would have a harmful effect on the functionality.</p> |

| | | |
|-------------------|---|--|
| 40 or 45 | Serious Reservations (significant issues that need to be addressed) | <p>Barely adequate and would need considerable improvement in this attribute, if selected.</p> <p>Only partially satisfies the criterion with major reservations. Considerable reservations of the Tenderer's relevant ability, understanding, experience, skills, resource and quality measures required to meet the criterion, with little or no supporting evidence.</p> <p>45 points should be given if the sub attribute is adequate in the sense that functionality is met, but 40 points would be given if specific and considerable improvements are identified as being necessary before that functionality can be delivered.</p> |
| 35 or less | Unacceptable (significant issues not capable of being resolved) | <p>Total non-compliance or inability to convey provision of the requirement. This description applies if the required functionality cannot be delivered.</p> <p>Does not meet the criterion. Does not comply and/or insufficient information provided to demonstrate that the Tenderer has the ability, understanding, experience, skills, resource and quality measures required to meet the criterion, with little or no supporting evidence.</p> |

9.4.3 Stage 3: Fleet emissions

The monetised value of emissions (including both greenhouse gas emission and other 'harmful' pollutants) for each tendered fleet will be compared at a Bus Unit level to calculate the emissions saving that each Tender delivers against the highest emitting fleet tendered for each Bus Unit, calculated in accordance with Appendix 2: Fleet emissions calculation and this section. The result is the Emissions Improvement Premium (EIP) for each Tender, which is used to adjust the Tender price in the same way that the SQP adjusts the Tender price for improvements in quality.

Each fleet tendered for a Bus Unit as set out in Returnable Part 3 will be assessed using GWRC's emission valuation model to produce a dollar value per fleet per Bus Unit for each of the five emissions types and for each Period.

GWRC's emission valuation model assesses emission costs for a Vehicle based on its Vehicle Size Classification, type of engine, and the average speed for the Bus Unit in which the Vehicle will be used. This section provides a summary of the emissions evaluation. Appendix 2: Fleet emissions calculation sets out the process in more detail.

The specific emissions that will be valued in this stage of the evaluation are CO₂, PM₁₀, NO_x, CO and hydrocarbons (HC).

The total emission output of a fleet for the five specific emissions is calculated by first apportioning the estimated annual vehicle kilometres (how far all the Vehicles in a fleet would drive each year in delivering services) for a Bus Unit across all Vehicles in a tendered fleet to be used for a Bus Unit for each Period. The model then multiplies the estimated annual vehicle kilometres for each Vehicle in the fleet by the emission production values for the relevant engine type, size and average speed for the Bus Unit on which the Vehicle will be used.

These total emission outputs (measured in grams) for each emissions type for each Period are then multiplied by the applicable emission costs and added together to approximate the externality Cost of Emissions for each fleet tendered for each Bus Unit. The cost of emissions will be turned into an NPV at Tender Close Date using the methodology set out in Stage 4: Price evaluation of this RFT. The fleet that has the highest Cost of Emissions (over the nine Year life of the Contract) for a Bus Unit will be set as the baseline fleet emission profile for that Bus Unit.

The baseline fleet emission profile will be valued at \$0 for each Bus Unit. For all other tendered fleets for that Bus Unit, the difference between the Cost of Emissions for that fleet and the baseline fleet emission profile is the Emissions Improvement Premium (recorded as a positive figure).

See Appendix 2: Fleet emissions calculation which sets out the emissions evaluation approach in more detail.

9.4.4 Stage 4: Price evaluation

This stage will calculate the expected NPV of the cost to GWRC of each Bus Unit within a Tender over the nine-year term.

Principles to be used when calculating price

The cost to GWRC of each Bus Unit within a Tender will be calculated by applying the formula below to the Tenderer’s pricing (unindexed and in real dollars), submitted in Returnable Part 4 for each Year of the nine-year term of the Contract.

| | | | | | | |
|------------------|-------------|---|-------------|---|-------------|--|
| Base Service Fee | plus | Bus Unit Timetable change rates (which will be included in Annexure 8 of Schedule 2 to the Contract) multiplied by GWRC’s forecast of Bus Unit Timetable changes for that Bus Unit | plus | Special Event Services rates (which will be included in Annexure 7 of Schedule 2 to Contract) multiplied by GWRC’s forecast Special Event Services applicable to that Bus Unit | plus | Transferring Vehicles Transfer Price using the formula in the Transfer Agreement calculated using the Swap Rate on the Tender Closing Date |
|------------------|-------------|---|-------------|---|-------------|--|

GWRC may also apply price adjustments to a Tenderer’s pricing to normalise the comparison of cost to GWRC across all Tenders in circumstances such as where a Tenderer issues a correction to their submission in response to a clarification question issued by GWRC, that correction is accepted by GWRC and that GWRC considers (in its absolute discretion) that the correction may impact the whole of life cost of the Contract to GWRC.

Date assumption to be used

For the purposes of modelling, the following date assumptions will be used:

- Tender Closing Date of 3 November, 2016
- Commencement Date of 1 July, 2018
- Contract Initial Expiry Date of 30 June, 2027.

NPV price calculation rules

The NPV of each tendered price and the Cost of Emissions will be calculated using the following rules:

- The price for each Year of the Contract will be calculated using the formula and the date assumptions from above

- The Base Services Fee for the first and last Year of the Contract will be pro-rated in accordance with paragraph 2 of Schedule 6 (Financial and Performance Regime) of the Contract
- The price for each Year will be recorded against the date falling on the last day of that Year (ie, the price for the first Year will be recorded against 30 June 2019), provided that the price for the last Year of the Contract will be recorded against the Contract Initial Expiry Date
- The prices for each Year will be discounted back to the Tender Closing Date using the XNPV Excel formula, with a price of zero entered against the Tender Closing Date
- A real discount rate of 6% will be used.

9.4.5 Stage 5: Determining the Evaluation Adjusted Price

In this stage, GWRC will bring together the results from stages 2, 3, and 4 to calculate the Evaluation Adjusted Price (EAP)

The EAP for each Bus Unit within a Tender will be calculated by applying the formula below.

| | | | | | | |
|-----------------------------|--------------|-------------------------------------|--------------|--|--------------|---|
| Price calculated in Stage 4 | minus | The Supplier Quality Premium* (SQP) | minus | The Added Value Premium (AVP) (if an Alternative Tender) calculated in Stage 2 | minus | The Emissions Improvement Premium (EIP) |
|-----------------------------|--------------|-------------------------------------|--------------|--|--------------|---|

*This is calculated in accordance with Appendix C of the Procurement Manual using as the ‘estimate’ the lowest price of all Tenderers received by GWRC (calculated in accordance with stage 4) for the Bus Unit to which the Tender relates.

9.4.6 Stage 6: Tenderer's Capacity

Returnable Part 5 (Tenderer's Capacity) specifies each Tenderer's maximum contract capacity that the Tenderer is willing to contractually commit to in response to this RFT. Tenderer's Capacity is specified in the form a maximum PVR for all Bus Units that are the subject of this Tender Process. If GWRC selects a Tenderer as Preferred Tenderer for one or more Bus Units which have a combined PVR equal to or less than the Tenderer's Capacity, the Tenderer must enter into Contracts in respect of those Bus Units if requested to do so by GWRC.

Note that a Tenderer may elect not to specify a Tenderer's Capacity. However if Tenderers do not specify a Tenderer's Capacity, and GWRC selects that Tenderer as the Preferred Tenderer for one or more Bus Units, the Tenderer must enter into Contracts in respect of those Bus Units if requested to do so by GWRC.

GWRC will use software to produce a list of all possible Tender combinations for all Bus Units the subject of this RFT. GWRC will remove from this list any combination which results in a Tenderer's Capacity being exceeded, on the basis that this is not a valid combination capable of acceptance by GWRC. For the purposes of this calculation, GWRC shall use the PVR for each Bus Unit set out in Returnable Part 5 and the Tenderer's Capacity as submitted in Returnable Part 5 (if such capacity is specified). However, GWRC reserves the right at its discretion to seek clarification from any Tenderer whose Tenderer's Capacity is exceeded. The refined list of Tender combinations will be used for the purposes of ranking in stage 7.

9.4.7 Stage 7: Tender ranking

Stage 7 uses the EAP calculated in Stage 5, to determine the best combination of Tenders (individual and Bundled) across the Wellington region that offers the best value for money to GWRC.

The Tender combinations in the refined Tender combination list produced in Stage 6 (ie, after application of the Tenderer's Capacity) are ranked from the lowest EAP for all tendered Bus Units to the highest. The combination of Tenders that generate the lowest aggregate region-wide EAP represents the best value-for-money outcome for GWRC (Initial Preferred Tender Outcome).

The best value for money outcome will be carried forward to Stage 8 as the Initial Preferred Tender Outcome.

9.4.8 Stage 8: Market concentration

GWRC will assess whether any Tenderers have exceeded the market concentration guideline of 60% of total bus Revenue Service Kilometres across the Wellington region as set out in Table 1 – Greater Wellington Regional Council Bus Units (inclusive of any Direct Appointed Units).

If the Initial Preferred Tender Outcome does not exceed the concentration guideline then this combination of Tenders will become the Preferred Tender Outcome.

If the Initial Preferred Tender Outcome results in the market concentration guideline being exceeded by any body referred to above, then GWRC will undertake a market concentration assessment.

This assessment will compare the value offered by the Initial Preferred Tender Outcome against lower ranked Tender combinations, and weighing this up against the potential effects of a higher market concentration outcome (ie, paying a higher price and/or accepting lower quality from lower ranked Tender combinations outcome versus the potential cost of lesser competition in future as a result of the potential market dominance effect of the Initial Preferred Tender Outcome). This will enable GWRC to make an informed value for money decision.

The Preferred Tender Outcome for the

Wellington region may contain a single Preferred Tenderer or multiple Preferred Tenderers.

Each:

Consortium Member and Interconnected Body Corporate of each Consortium Member of a Tenderer included in the Initial Preferred Tender Outcome; and

Interconnected Body Corporate of a Tenderer included in the Initial Preferred Tender Outcome

will be separately assessed against the market concentration guideline of 60% as if that relevant body was itself the Tenderer included in the Initial Preferred Tender Outcome.

9.4.9 Stage 9: Due diligence

The Preferred Tenderer(s) will be subject to the following due diligence checks:

- Review of financial capacity and strength, including adequacy of insurances and securities
- Claims and conduct checks
- Financial price review
- Review of subcontract arrangements (if any)
- Review of completeness of and alignment of Returnables with the Contract to the extent these impact or are part of the Contract.

To support any concerns raised by a financial price review, GWRC reserves the right to request the financial models and Working Timetable underpinning each Tender, to be submitted by Tenderers.

9.4.10 Stage 10: Tender report

GWRC will prepare a report summarising the outcome of the evaluation and a

recommendation as to the Preferred Tender Outcome.

9.4.11 Stage 11: Final decision

The Tender report produced in stage 10 will be sent to the elected members of the Greater Wellington Regional Council for their consideration and approval.

9.5 Tenderers advised of outcome

Tenderers will be advised once the elected members of GWRC have approved the recommendation of the Preferred Tenderer(s).

9.6 Negotiation with Tenderer(s)

GWRC reserves the right to liaise with or commence, continue or terminate negotiations with any Tenderer (including the Preferred Tenderer) without disclosing this to, or doing the same with, any other Tenderer.

If the Preferred Tender Outcome includes an Alternative Tender, further negotiation may be required to agree changes to the Contract to reflect the Alternative Tender.

Prior to executing the Contracts with Preferred Tenderers, GWRC reserves the right to agree with Preferred Tenderers any changes to the Contracts (including any changes to a Contract for a Bus Unit which is not reflected in the Contracts for all other Bus Units).

9.7 Unsuccessful Tenderers debriefed

The GWRC will offer unsuccessful Tenderers the opportunity to participate in a debrief session following the conclusion of the Tender Process. These sessions will take place within three months of the public announcement of the Preferred Tenderer(s).

Tenderers wanting to participate in a debrief session should submit a request in writing to GWRC.



10. Terms and conditions

10.1 General Terms and Conditions

By participating in the Tender Process, the Tenderer agrees to be bound by the RFT requirements and the terms and conditions set out in this RFT.

10.2 Disqualification

The GWRC reserves the right to disqualify any Tenderer from the Tender Process if that Tenderer breaches or does not comply with any of the terms and conditions of this RFT.

10.3 Priority

The documents forming the RFT are intended to be correlative, complementary and mutually explanatory of one another. The RFT Documents must be read as a whole.

If there is any ambiguity, discrepancy or inconsistency between the documents contained in the RFT, the following order of precedence will apply:

1. These RFT Terms and Conditions
2. The Contract
3. RFT Returnables
4. Other documents in the Data Room (excluding the Information Memorandum)
5. Information Memorandum.

10.4 Preparing and submitting a proposal

Tenders must be prepared and submitted in accordance with the requirements set out in this RFT.

Tenderers must ensure that they have in place all internal approvals and consents required to enable them to participate in this Tender Process.

10.5 Compliance with Laws

Each Tenderer must comply with all Laws which apply to this Tender Process.

10.6 Privacy Act 1993

Submission of a Tender expressly authorises the Tender Evaluation Team, the Probity Adviser, Probity Auditor and GWRC to contact persons named in the Tender or any other persons who the Tender Evaluation Team may consider are able to furnish information relating to the Tenderer and the attributes required under this RFT.

The GWRC will deal with any personal information about Tenderers and their employees, agents or contractors in accordance with the provisions of the Privacy Act 1993.

10.7 Copyright and intellectual property

Copyright in this RFT vests at all times in GWRC.

A Tender will not be returned to the Tenderer. Once the Tender Process is complete, GWRC will dispose of Tender documents securely.

Without limitation, each Tenderer authorises GWRC to use and reproduce the whole or any part of its Tender for the purposes of evaluation, or otherwise for the purposes of the Tender Process. By submitting a Tender, the Tenderer irrevocably licenses GWRC (with the right to grant sub-licences) to use, copy, adapt, modify, disclose or do anything else necessary, in GWRC's sole discretion, in respect of any material and information contained in the Tender, for the purposes of evaluating and clarifying the Tender and otherwise for any purpose in connection with the Tender Process.

By submitting a Tender, the Tenderer:

- Warrants that the Tender and the exercise by GWRC (and its sub licensees) of the rights referred to in section 10.7 of these RFT Terms and Conditions will not infringe any person's intellectual property rights; and
- Agrees to hold GWRC, its officers, employees, advisers and other sub-licensees harmless from any claim brought by any person arising from its or their use of the Tender in accordance section 10.7 of these RFT Terms and Conditions.

10.8 Probity

To ensure fairness, transparency, efficiency and effectiveness in the Tender Process, Tenderers must not communicate to any other person other than GWRC and the Tenderer's own professional advisers any content of their Tender. Tenderers must not collude with any other Tenderer or other third party in relation to their participation in this Tender Process, or otherwise engage in any anti-competitive conduct in relation to this RFT or the Tender Process.

Tenderers must not attempt to influence the outcome of this Tender Process by offering any gift, payment or any other incentive to any person employed by GWRC or engaged by GWRC or to any elected member of GWRC.

Any Tenderer found to have canvassed or be canvassing any of GWRC's employees, contractors, consultants, advisers, elected members or directors or anyone with a direct working relationship with GWRC (other than GWRC's Q&A Coordinator) regarding this RFT, may be excluded from the Tender Process.

If any Tenderer wants to raise probity concerns about the Tender Process, these should be raised in writing at the earliest opportunity with the Probity Adviser and/or Probity Auditor. The Tenderer's correspondence to the Probity Adviser and/or Probity Auditor should identify:

- The probity issue or concern
- How the probity issue or concern impacts on the potential Tenderer's interests
- Any relevant background information
- Any suggestions as to the resolution of the probity issue or concern.

The Probity Adviser and Probity Auditor's role in relation to any probity concern is to advise GWRC on the matter and on any steps that need to be taken to resolve it. GWRC may authorise the Probity Adviser, in carrying out that role, to communicate directly with the Tenderer, including in relation to GWRC's decision on the matter. If the matter is not resolved to the satisfaction of GWRC and the Tenderer, the parties must then meet to discuss in good faith the Tenderer's probity concerns, and seek to address such concerns.

If following the process set out in these RFT Terms and Conditions, the Tenderer, acting reasonably, forms the view that its probity concerns have not been adequately addressed by the Probity Adviser, then it may ask GWRC to raise the matter, or any remaining probity concerns with the Probity Auditor. The role of the Probity Auditor will be to provide independent assurance to GWRC on the matter and GWRC's resolution of it. However, to maintain transparency the Probity Auditor may also communicate directly with the Tenderer on the matter.

The contact details of the Probity Adviser and the Probity Auditor are set out in section 8.2 of this document.

Tenderers must fully co-operate with the Probity Adviser and (if required) GWRC's Probity Auditor and do all things desirable to enable the Probity Adviser and the Probity Auditor to effectively and expeditiously carry out their duties.

Tenderers acknowledge and agree that GWRC will have no liability in connection with any act or omission of either the Probity Adviser or the Probity Auditor.

10.9 Contact with GWRC, Government and Agencies

Other than via the channels outlined in 6.3, the Tenderer (including its employees, officers, consultants, contractors, advisers, agents and related entities) is prohibited from contacting, in connection with the Tender Process, the Tender or the RFT Documents, any elected member or officers, employees, contractors, agents or advisers of GWRC (including the Evaluation Manager or any member of the Tender Evaluation Teams), any Members of Parliament or their staff or any Governmental Entity.

At its sole discretion, GWRC may disqualify from the Tender Process any Tenderer for making any communication prohibited by this RFT.

Feedback given and comments made by GWRC through the channels referred to in section 6.1 (including through the Tender Interactive Meetings) will not be binding on GWRC, unless GWRC expressly agrees otherwise.

While contact with GWRC, Government or Agencies in relation to any aspect of the project or Tender process outside approved channels is prohibited, Tenderers may contact Agencies or Local Government Bodies to discuss regulatory requirements or approvals.

10.10 Confidentiality

Tenderers (including their employees, officers, consultants, contractors, advisers, agents and related entities) must keep confidential this RFT and any NTTs, Addendum, clarifications, and further information issued in relation to the Tender Process.

GWRC will regard background pricing information and financial accounts of a Tender which are not publically available as confidential.

GWRC undertakes to maintain the confidentiality of any information provided by the Tenderer which GWRC agrees to be confidential, provided that:

- a) GWRC may disclose any information submitted by a Tenderer as part of its Tender or the Tender Process (without the consent of the relevant Tenderer), to the Transport Agency and any other relevant Governmental Entity
- b) GWRC is subject to the *Local Government Official Information and Meetings Act 1987* and may be required to disclose information under that Act or under any other Law (for example the *Public Audit Act 2001*) or by any court
- c) GWRC may disclose any information submitted by a Tenderer as part of its Tender or the Tender Process (without the consent of the relevant Tenderer), to a third party engaged by GWRC as part of the Tender evaluation process
- d) GWRC may otherwise disclose information as permitted in clause 59 (Confidentiality) of the Contract.

10.11 Conflicts management

Each Tenderer must ensure an updated list of the names of individuals and entities who are or will be involved in the Tender preparation (including personnel of external parties that are entities) is provided in Returnable Part 1. The purpose of this list is to enable GWRC to determine, in its discretion, whether any conflicts of interest (potential, perceived or real) exist between its tender team and a Tenderer's personnel or advisers.

In the event that GWRC considers that a material conflict of interest exists (whether actual, perceived or potential, and whether or not it was declared by the Tenderer), GWRC reserves the right to deal with any such conflict of interest in whatever manner it sees fit. To avoid doubt, GWRC's actions to resolve the conflict of interest may include disqualifying the Tenderer from further participation in the Tender Process or requiring such measures as it sees fit to be put in place to address such conflict.

10.12 Disclaimer

GWRC makes no warranty or representation and assumes no duty of care to any person in respect of the accuracy, suitability or completeness of any information provided at any time by it or on its behalf in this RFT or otherwise during the Tender Process (Information).

Without in any way limiting the Tenderer's obligations under this RFT, the Tenderer acknowledges that:

- It is solely responsible for conducting its own due diligence and investigations in connection with the Bus Unit/s it is tendering for
- It has duly examined the RFT and the Information for the purpose of preparing its Tender
- It has identified and obtained all

information it may require in order to prepare and submit its Tender and to understand the obligations of the Operator under the Contract

- It has obtained independent professional advice in connection with its Tender
- It has informed itself of all matters relevant to the employment of labour and all industrial matters relevant to the Bus Unit or Bus Units
- It has examined the relevant sites and their surroundings and informed itself completely as to the conditions of the sites
- It has identified and considered all risks, contingencies, impacts and other circumstances relevant to its Tender and the obligations and liabilities to be assumed by the Operator under the Contract.

Any failure by the Tenderer to do so will not relieve the Tenderer or Operator from its obligation to perform the Services should it be successful in this Tender Process and enter into the Contract.

GWRC reserves the right to require additional declarations, or other evidence from a Tenderer, or any other person, throughout the RFT process to ensure probity of the RFT process.

10.13 Limitations

It is intended that the information contained in the RFT Documents is used solely for the purpose of preparing a Tender Response.

In no circumstances shall GWRC be liable to a Tenderer, its related entities, employees, officers, representatives, agents or advisers or other third parties whether in contract, tort, equity, under statute or otherwise for any costs, losses, expenses, liabilities or damages incurred or suffered by such persons as a

result of it or them having

- a) Elected to participate in any way in this RFT or in the Tender Process
- b) Failed to adequately assess the quality of the material or information provided during the process, including (but not limited to) the estimated difficulty or cost of the transition and of providing the Services.

GWRC will have no liability to a Tenderer, its related entities, employees, officers, representatives, agents or advisers or other third parties in relation to any decision made by it in connection with this RFT or in the Tender Process, including any decision to exclude a Tenderer from the Tender Process, not select a Tenderer to proceed as a Preferred Tenderer, to select another Tenderer to be the Operator, to suspend or terminate the Tender Process or to commence a new procurement process in respect of the tendered Bus Unit.

10.14 No process contract and no legal relationship

Tenderers acknowledge and agree that nothing contained or implied in the RFT will create or be deemed to create any partnership, joint venture, agency or trust between GWRC on the one hand and the Tenderers on the other.

Notwithstanding any other provision in the RFT or any other document relating to the RFT, the issue of the RFT does not legally oblige or otherwise commit GWRC to proceed with or follow the process outlined in the RFT or to evaluate any particular Tenderer's Tender or enter into any negotiations or contractual arrangements with any Tenderer. Without prejudice to the Tenderer's obligations referred to in the RFT, Tenderers agree that this Tender Process does not give rise to a process contract binding on GWRC.

10.15 Errors and omissions

GWRC is under no obligation to identify any errors or omissions in this RFT or any Tender. If the Tenderer becomes aware of any errors or omissions in any documentation submitted as part of its Tender, it must immediately notify GWRC via the PTOM Bus email address referred to in section 6.1 providing details of the error, omission or other issue. If GWRC requests any further information in respect of any error, omission or other issue in a Tender (whether identified by GWRC or by the Tenderer), the Tenderer must promptly provide the same.

If errors, omissions or other issues are identified in a Tenderer's response, GWRC reserves the right (at its discretion) to:

- Exclude the Tenderer from further participation in the Tender Process if it fails to provide clarification promptly pursuant to section 10.15 of these RFT Terms and Conditions
- Determine the extent to which any information provided pursuant to section 10.15 of these RFT Terms and Conditions will be taken into account in the evaluation of the Tender
- Disqualify a Tender which contains any error, omission or other issue
- Accept or refuse to accept any amendments (in whole or in part) to a Tender which a Tenderer proposes in order to correct any error, omission or other issue
- Otherwise deal with any Tender which contains an error, omission or other issue as GWRC considers fit.

10.16 Procedural communications

Unless GWRC advises otherwise, GWRC will not be bound by (nor will it have any liability in connection with) any GWRC communication, written or verbal, by any person. Unless expressly specified otherwise in the RFT or GWRC advises otherwise, the GWRC's Q&A Coordinator and Evaluation Manager are the only people authorised to provide communications to Tenderers in connection with the Tender Process and the RFT.

10.17 Q&A Process

GWRC will allow Tenderers to pose Questions to GWRC through the Data Room.

GWRC will have absolute discretion in determining whether to respond to a Question. Any Answers will be provided through the Q&A facility in the Data Room.

GWRC will review all Questions received from Tenderers for compliance with the following principles:

- **Materiality:** Questions must be limited to material issues specific to the Information provided in the Data Room. The Questions should be specific in what they are trying to find out, and not general in nature
- **Non-duplication:** Tenderers should not submit Questions that are the same or very similar to Questions already asked
- **Availability of relevant information:** Questions should only cover matters that Tenderers cannot reasonably be expected to find the answer to by using information available in the Data Room or through independent enquiries
- **Singularity:** Each Question must only address one specific subject.

Questions that do not meet the above criteria will not be answered and will be returned to the Tenderer representative with an explanation as to why the Question was not valid.

The Data Room's Q&A facility allows GWRC to share its Answer to a Tenderer's Question with all Tenderers. Where GWRC chooses to respond on a non-attributable basis, GWRC's Answers may be provided by written notice to all Tenderers via the Data Room, except where the Tenderer nominates in its Question that the Question relates to proprietary information relevant to its Tender and GWRC agrees with the Tenderer's assessment of the proprietary nature of the Question.

If a Tenderer nominates that a Question or an issue to be raised at a Tender Interactive Meeting relates to proprietary information relevant to its Tender and GWRC disagrees with that assessment, then GWRC will advise the Tenderer accordingly via the Data Room. The Tenderer may then decide either not to pursue the Question or issue or to re-submit it as a non-proprietary Question or issue, in which case the Question or issue and GWRC's response may be provided to all Tenderers.

Where GWRC determines that a Tenderer's Question or issue relates to proprietary information, then if GWRC chooses to provide an Answer, it will do so directly to that Tenderer via the Data Room or in a Tender Interactive Meeting, but will not issue the Answer to other Tenderers.

Tenderers must nominate one person from their Tender team as the Tenderer Question Approver. This individual shall be responsible for vetting and submitting all Questions made by the Tenderer via the Data Room Q&A facility.

The Q&A facility contains a Q&A tool, which allows Tenderers to attach files when asking Questions. Subject to section 10.10 of these RFT Terms and Conditions, files submitted via the Q&A tool will be confidential.

10.18 Clarifications and additional information

Without limiting section 9.1 (Evaluation activities), GWRC reserves the right to seek additional information or clarifications from any Tenderer at its discretion, via writing or through interviews (including through the Interactive Tender Meetings) at any time during the evaluation of Tenders and without reference to any other Tenderer. A failure to provide such information within a reasonable time required by GWRC will entitle GWRC to exclude the Tenderer from further participation in the Tender Process.

GWRC also reserves the right to seek additional information or clarifications from all Tenderers at any time during the evaluation of Tenders. Any such request for additional information or clarifications from all Tenderers will be issued to Tenderers by GWRC's Q&A Coordinator.

The Tenderer will be required to promptly respond, in writing and in the format required by GWRC, to all such requests for additional information or clarifications. Where such information is not provided within the timeframe nominated by GWRC, GWRC reserves the right to continue its Tender Evaluation Process on the basis of the available information.

For the avoidance of doubt GWRC is not obliged to check or clarify the apparent meaning of any part of a Tender.

GWRC may in its discretion and at any time, contact any referees that a Tenderer provides in connection with its Tender and may, to the extent GWRC considers fit, take into account any information provided by such referees when evaluating the Tender. GWRC may also at its discretion undertake reference site visits to a selection of the Tenderer's other operations. GWRC will inform the Tenderer if it intends to do this.

GWRC reserves the right:

- a) To use any publicly available information to evaluate the capability and suitability of the Tenderer
- b) To take into account any information from its own and other sources in evaluating any Tender.

GWRC reserves the right to change the outcome of its evaluation of Tenders following receipt of further information under this Section 10.18.

10.19 Publicity

GWRC may make any public and media statements in connection with the Tender Process (including its participants and selection of the Preferred Tenderers) as it sees fit. Where any public statement or communication by GWRC makes reference to or identifies a Tenderer, GWRC will provide a copy of the communication to that Tenderer prior to making the relevant public or media statement.

Save to the extent required to be made by law or in order to comply with the requirements of any recognised stock exchange, the Tenderer must not make any public or media statement in connection with the Tender Process (including its participation in the Tender Process) or the envisaged Contract without the prior written approval of GWRC. Where such approval is granted, the Tenderer shall ensure that the actual statement released or made is in the same form as that which has been approved by GWRC.

10.20 Tenderer personnel

The Tenderer must ensure that any personnel listed or otherwise referred to in its Tender are available to provide the Services unless GWRC acting reasonably provides its written consent otherwise.

10.21 Costs

All costs of preparing and submitting a Tender and of otherwise participating in the Tender Process are to be borne by the Tenderer.

Under no circumstances will GWRC refund any Tender costs incurred by the Tenderer.

10.22 Failure to provide information and late submissions

Tenders that fail to include the documentation required by this RFT or that are incomplete in regard to the information required, entitle GWRC (at its discretion) to eliminate the Tenderer from the Tender Evaluation Process and from any further participation in the Tender Process.

Failure by a Tenderer to submit its Tender by the Tender Closing Date may (at the discretion of GWRC) result in the Tenderer being disqualified from the Tender Process. GWRC may elect in its absolute discretion to accept a Tender received after the Tender Closing Date.

Partial or incomplete Tenders may be accepted or rejected by GWRC in its absolute discretion.

10.23 Information warranty

The provision of false, inaccurate or misleading information may result, at GWRC's discretion, in a Tenderer being disqualified from further participation in the Tender Process.

By submitting a Tender and participating in the Tender Process, the Tenderer:

- a) Warrants to GWRC that the information contained in its Tender or otherwise supplied to GWRC during the Tender Process is true, accurate and complete as at the date on which the Tender is submitted

- b) Acknowledges that GWRC will rely on the above warranty when evaluating the Tender.

A Tenderer must inform GWRC promptly in writing of any material change to any of the information contained in its Tender, and of any material change in circumstance that may affect the truth, completeness or accuracy of any information provided in, or in connection with, its Tender. Where there has been any such material change, GWRC may deal with such change however it sees fit, including by electing to disqualify the Tenderer or re-evaluating that Tenderer's Tender (updated to reflect the relevant change). Any such re-evaluation may result in the Tenderer being disqualified from the Tender Process in the event that such re-evaluation indicates the Tenderer would not have been taken forward in the Tender Process had the relevant change been taken into account in the Tenderer's Tender.

10.24 Withdrawing from the Tender process

At any time prior to submitting a Tender, a Tenderer may elect to withdraw from the Tender process by notifying GWRC of its intention to do so. Such notification must be provided in writing to GWRC via the PTOM Bus email address.

Immediately following issue of notification that it intends to withdraw from the Tender process, the Tenderer will be deemed to have irrevocably withdrawn from the Tender process (except to the extent otherwise subsequently agreed by GWRC in its absolute discretion).

10.25 Changes to the Tender Process and rights reserved

GWRC reserves the right in its absolute discretion (without obligation and without incurring any liability to any person) to:

- Not award a Contract at the conclusion of the Tender Process
- Award one or more Contract (s) in respect of all or part only of the requirements covered by the Tender Process
- Structure the Tender Process as it sees fit and to alter or amend the content, process, timing and/or structure of the Tender Process at any time
- Delay, suspend, cancel, terminate, recommence or re-launch the Tender Process at any time
- Procure the whole or any part of the envisaged Services or Contract by any other means it sees fit (including by way of a new procurement process)
- Proceed with the Tender Process if only one Tender is received
- Change its requirements in respect of the envisaged Contract or the Tender Process at any stage, including adding to or amending the Services, information, terms, procedures, or evaluation criteria set out in this RFT
- Change the Tender Closing Date
- Select any Tenderer based on its Tender and invite it to participate in the next stage of the Tender Process

- Accept or reject any or all Tenders at any time and/or for any reason
- Treat as valid or disregard any Tender which is not received by the Tender Closing Date or which otherwise does not comply with the requirements of this RFT
- Allow any Tenderer to correct, amend, alter, add to or otherwise change its Tender at any time (including after the Tender Closing Date), without being obliged to disclose the same to any other Tenderers or to offer or accept any corrections, amendments, alterations, additions or other changes from any other Tenderer
- Change the scope or term of the envisaged Contract or any ancillary arrangement relevant to the envisaged Contract
- Allow the withdrawal or addition of Consortium Members
- Waive any or all of its rights set out in the RFT, waive any non-compliance by any Tenderer with any requirement of the RFT and/or waive any irregularities or informalities in the Tender Process
- Make available any information (including any Tender) to any of its employees, officers, consultants, contractors, or advisers as it sees fit
- Take such other action as it considers, in its absolute discretion, appropriate or necessary in relation to the Tender Process.

The Tenderer must not seek to make any changes, tags, departures or caveats to the Contract, except to the extent it is specifically allowed to do so pursuant to section 7.3 (Alternative Tenders) of these RFT Terms and Conditions. If the Tenderer attempts to introduce such amendments in contravention of this condition, then GWRC will be entitled to terminate that Tenderer's participation in the

Tender Process.

10.26 Ethics

Tenderers must not attempt to influence or provide any form of personal inducement, reward or benefit to any representative of GWRC in relation to this RFT or the Tender Process.

10.27 Anti-collusion and bid rigging

Tenderers (including their employees, officers, consultants, contractors, advisers, agents and related entities) must not engage in collusive, deceptive or improper conduct in the preparation of their Tenders or other submissions or in any discussions or negotiations with GWRC other than in accordance with this RFT. Such behaviour will result in the Tenderer being disqualified from participating further in the Tender Process. In submitting a Tender the Tenderer warrants that its Tender has not been prepared in collusion with another Tenderer.

GWRC reserves the right, at its discretion, to report suspected collusive or anti-competitive conduct by Tenderers to the appropriate authority and to give that authority all relevant information including a Tenderer's Tender.

10.28 Elimination

GWRC may exclude a Tenderer from participating in the RFT if GWRC has evidence of any of the following, and is considered by the GWRC to be material to the RFT or the Tender Process:

- The Tenderer has failed to provide all information requested, or in the correct format, or materially breached a term or condition of the RFT
- The Tender contains a material error, omission or inaccuracy
- The Tenderer is in bankruptcy, receivership or liquidation

- The Tenderer has made a false declaration
- If the Tenderer or any of its or their employees, officers, consultants, contractors, advisers, agents or related entities from time to time engaged by the Tenderer in connection with the Tender Process plead guilty or are found guilty of fraud, corruption or any criminal offence or in the opinion of GWRC are or become disreputable, GWRC may disqualify the Tenderer from further participation in the Tender Process
- There is a serious performance issue in a historic or current Contract delivered by the Tenderer
- The Tenderer (including their employees, officers, consultants, contractors, advisers, agents and related entities) has been convicted of a serious crime or offence
- There is professional misconduct or an act or omission on the part of the Tenderer which adversely reflects on the integrity of the Tenderer
- The Tenderer has failed to pay taxes, duties or other levies
- The Tenderer represents a threat to national security or the confidentiality of sensitive government information
- The Tenderer is a person or organisation designated as a terrorist by New Zealand Police.
- It is irrevocable and the Tenderer will be legally bound by the terms of the offer contained in its Tender
- Whilst all Tenders are considered binding, GWRC will use the Tenderer's Capacity (if any is specified by the Tenderer) in accordance with this RFT to ensure no Tenderer is awarded a Bus Unit or combination of Bus Units that exceeds the Tenderer's Capacity
- The Tender will remain open for acceptance by GWRC for the period of 270 days from the Tender Closing Date.

10.30 New Zealand Law

The Laws of New Zealand shall govern the RFT and each Tenderer agrees to submit to the exclusive jurisdiction of the New Zealand courts in respect of any dispute concerning the RFT or the RFT process.

10.31 Composition of Tenders

GWRC requires that the contracting entity which enters into the Partnering Contract in the role of the Operator will be a New Zealand resident company.

If a Tenderer is a Consortium, the Consortium Members will incorporate as a New Zealand resident special purpose company with all Consortium Members as shareholders.

Tenderers must request GWRC's written consent prior to making any changes to the Consortium composition (including the addition or withdrawal of any Consortium Members) at any time after submission of a Tender.

Failure to gain GWRC's written consent may result in disqualification of the Tender at GWRC's discretion.

References to 'Tenderer' includes each Consortium Member.

10.29 Tenders to be binding

Once a Tender has been submitted:

Appendix 1: Overview – Key elements of the nine Bus Units available for tender

The Metlink network is based on a layered hierarchy of services: Core Routes, Local Routes and Targeted Services.

Core Routes form the network's backbone, linking areas of high demand with high-capacity, direct services with extensive operating hours.

Core rail routes provide high-capacity, long-distance, time-competitive commuter services connecting key urban areas across the region. Their primary functions are to reduce severe road congestion on State Highways 1 and 2 and meet the demand for travel from key suburban and town centres to the Wellington CBD during peak periods.

Core bus routes provide high-capacity, frequent, all-day services within urban areas, reducing congestion on the major transport corridors and meeting the all-day-travel demand. They operate at least every 15 minutes during the day, and often more frequently during busy periods.

Local Routes include all-day medium-to-low-frequency services connecting town and activity centres along the lower-demand corridors, providing local access to town and activity centres within the suburban areas. These routes complement the core network by covering areas it does not serve and by collecting and distributing passengers from and to it.

Targeted Services provide services to areas or link destinations where there is not enough demand to justify core or local routes, or where normal services cannot meet the peak demand. Targeted Services include:

Peak-only services: commuter services that provide additional capacity at peak times to reduce traffic congestion. They may provide additional capacity on a section of an existing route, or the only public transport service to an area where there is not enough demand to justify a service at other times of the day

School Routes: bus services in urban areas to schools not served by regular bus routes, or where capacity on those routes cannot meet demand

Night services: services for after-midnight travel on weekends

Special event services: services deployed when additional demand caused by, for example, major public events, concerts, festivals and sport events, would exceed the capacity of regular services

Community services: services that include discounted taxi services for people who are transport disadvantaged, demand-responsive and shopper services, and services to outlying urban and rural areas where scheduled core or local services are not viable.

Unit 1: North-South Spine

Figure 3 – Map of North South Bus Unit Public Routes

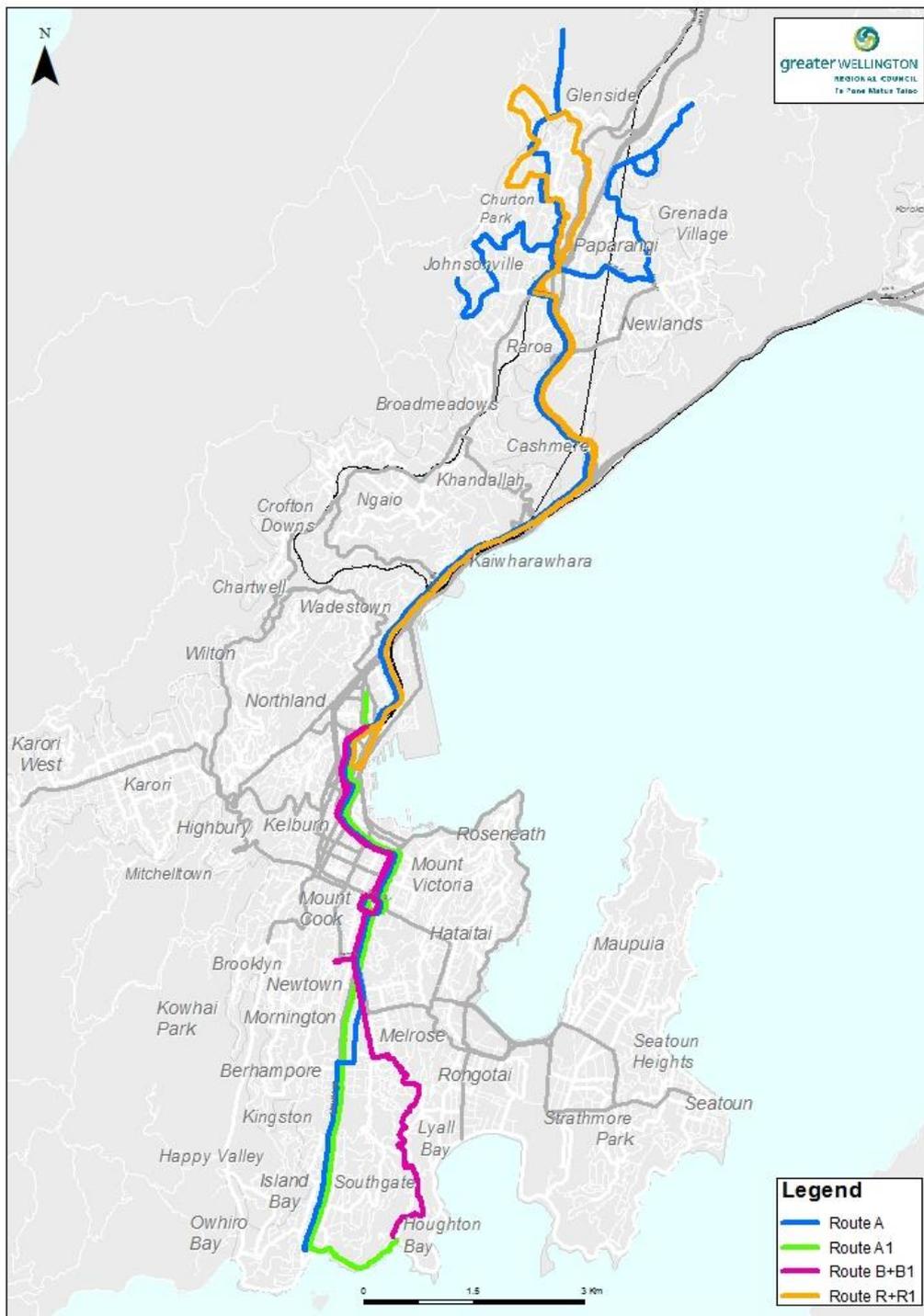


Table 10 – Key elements of the North-South Spine (Unit 1)

| | |
|---|---|
| <p>Description</p> | <p>Bus Unit 1 covers northern, central and southern Wellington suburbs, including a high frequency north-south bus spine between Johnsonville, Wellington and Island Bay, including:</p> <ul style="list-style-type: none"> • A main North South Spine (A) providing coverage of the northern Wellington suburbs Johnsonville, Churton Park, Grenada Village and Johnsonville West as well as the southern Wellington suburbs of Island Bay, Berhampore and Newtown • Connecting services covering the suburbs of Churton Park and Glenside (R), and Houghton Bay (B) • At peak times targeted commuter routes A1, B1 & R1 provide supplementary coverage, capacity and travel options • Two after-midnight services (N1 & N5) <p>This Bus Unit also has twenty-eight School Routes.</p> <p>Under the Wellington Regional Public Transport Plan 2014:</p> <ul style="list-style-type: none"> • Route A is defined as a core service, ie, high capacity, high frequency, all day service • Routes B and R are defined as local services, ie, all day medium to low frequency connecting town centres • All other routes within the Bus Unit are targeted routes, ie, peak-only, school, or after-midnight <p>Public Routes in this Bus Unit are:</p> <p>A North-South Spine</p> <p>A1 Houghton Bay and Island Bay EXPRESS</p> <p>B Houghton Bay Shuttle</p> <p>B1 Houghton Bay Commuter</p> <p>N1 Island Bay and Lyall Bay AFTER MIDNIGHT</p> <p>N5 Newlands, Churton Park and Johnsonville AFTER MIDNIGHT</p> <p>R Churton Park and Glenside Shuttle</p> <p>R1 Churton Park and Glenside Commuter</p> |
| <p>Topography</p> | <p>Inner urban and suburban, including highway operation and narrow hilly winding roads.</p> |
| <p>Estimated Revenue Service kms</p> | <p>1645,020</p> |
| <p>Estimated Revenue Service PVR</p> | <p>47</p> |

| | |
|---|--|
| Bus types | Services in this Bus Unit are required to be operated by a mix of Small Vehicles, Medium Vehicles, Large Vehicles and Double Decker buses. |
| Catchment population² | 39,000 ³ |

² Based on Usual Resident Population (URP) from Census 2013

³ Excludes Wellington CBD population in the Unit catchment area

Bus Unit 4: Khandallah/Aro

Figure 4 – Map of Khandallah/Aro Bus Unit Public Routes

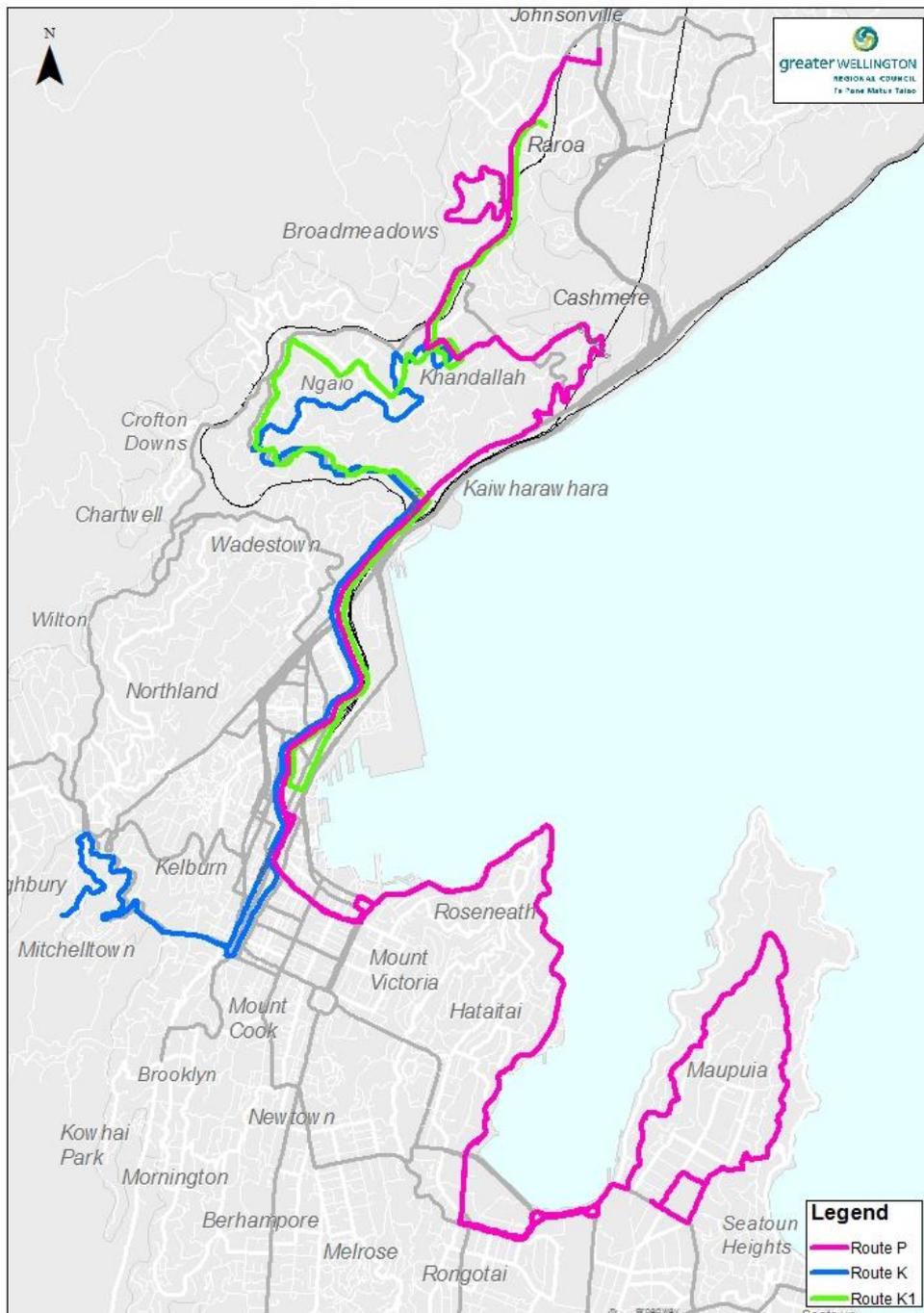


Table 11 – Key elements of Khandallah/Aro (Bus Unit 4)

| | |
|--|---|
| <p>Description</p> | <p>Bus Unit 4 provides coverage to northern, central and eastern Wellington suburbs, including:</p> <ul style="list-style-type: none"> • A medium frequency service between Khandallah, Wellington, Highbury and Aro Valley (K) • Lower frequency local routes to Broadmeadows, Homebush Rd, Oriental Bay, Evans Bay, Maupuia, and Mt Crawford (P) • At peak times a targeted commuter service (K1) provides supplementary coverage, capacity and travel options • One after-midnight service (N4) • All services provide direct access to Wellington Central, and Route P also provides access to hubs at Johnsonville and Miramar <p>This Bus Unit also has three School Routes.</p> <p>Under the Wellington Regional Public Transport Plan 2014 routes K and P are defined as local services, ie, all day medium to low frequency connecting town centres. All other services within the Bus Unit are targeted services, ie, peak-only, school, or after-midnight services.</p> <p>Public Routes in this Bus Unit are:</p> <p>K Highbury and Khandallah K1 Ngaio Commuter N4 Wadestown and Khandallah AFTER MIDNIGHT P Johnsonville and Miramar Heights</p> |
| <p>Topography</p> | <p>Inner urban and suburban, narrow hilly winding roads</p> |
| <p>Estimated Revenue Service kms</p> | <p>879,250</p> |
| <p>Estimated Revenue Service PVR</p> | <p>25</p> |
| <p>Bus Types</p> | <p>Services in this Bus Unit are required to be operated by a mix of Small, Medium and Large Vehicles.</p> |
| <p>Catchment Population⁴</p> | <p>24,400⁵</p> |

⁴ Based on Usual Resident Population (URP) from Census 2013

⁵ Excludes Wellington CBD population in the Unit catchment area

Bus Unit 7: Brooklyn/Owhiro

Figure 5 – Map of Brooklyn/Owhiro Bus Unit Public Routes

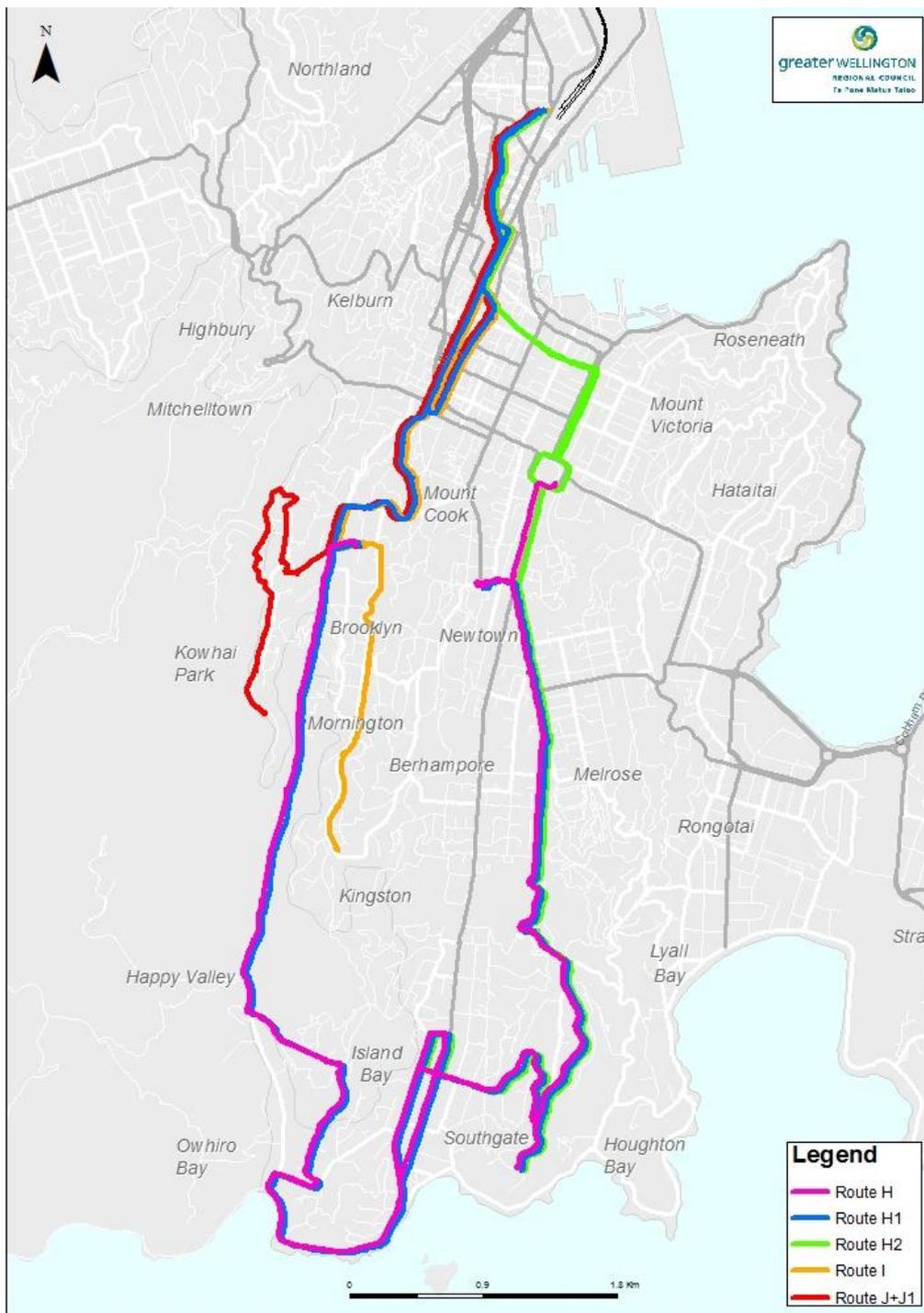


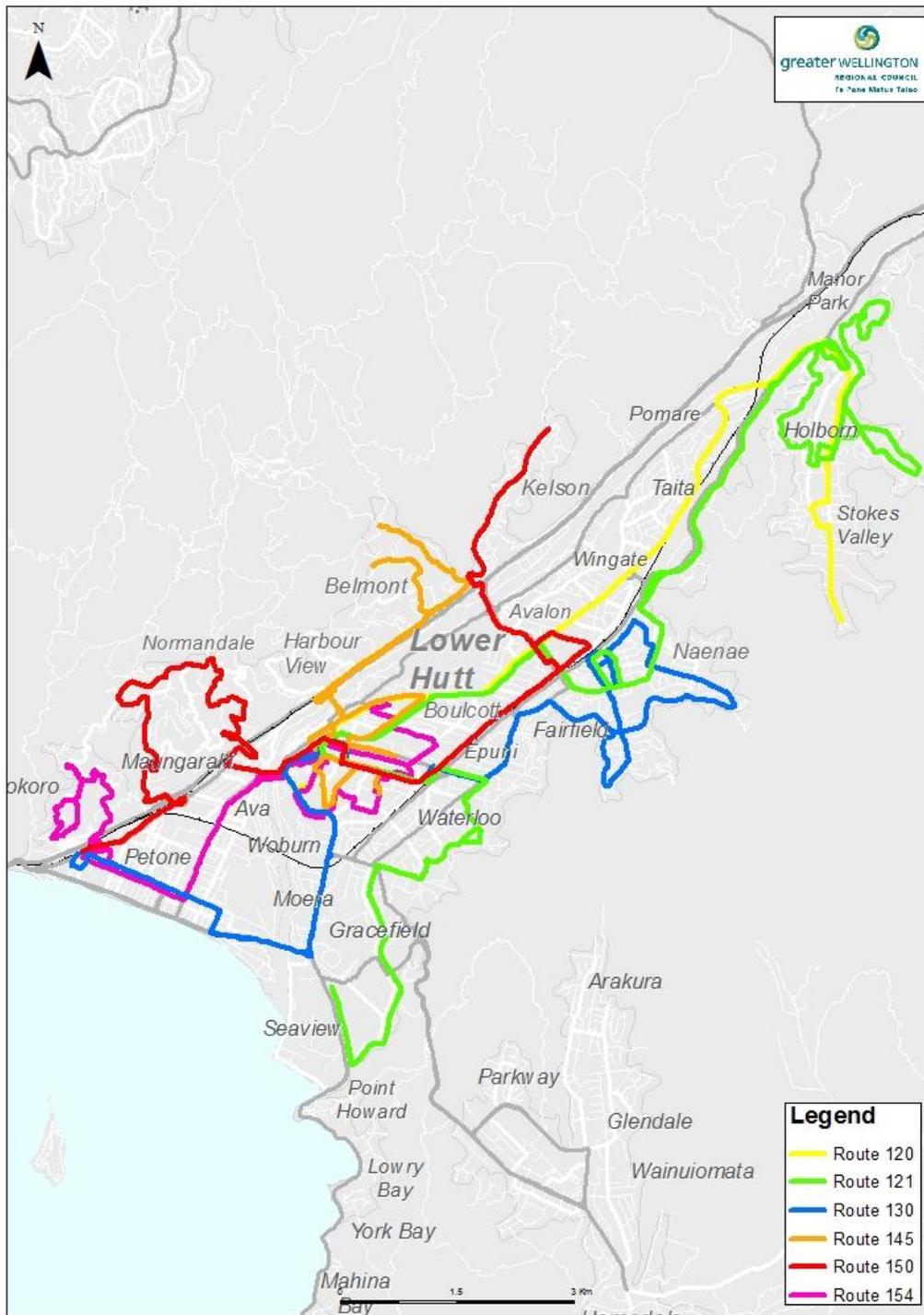
Table 12 – Key elements of Brooklyn/Owhiro (Bus Unit 7)

| | |
|---|---|
| Description | <p>Bus Unit 7 covers the southern Wellington suburbs of Brooklyn, Kowhai Park, Owhiro Bay, Mornington, Kingston, Vogeltown, Island Bay and Southgate, including:</p> <ul style="list-style-type: none"> • A core high frequency service connecting Wellington with Brooklyn, Mornington and Kingston (I) • Local connecting services to the areas of Owhiro Bay, Island bay, Southgate (H), and Kowhai Park (J) • At peak times targeted commuter services (H1, H2 & J1) provide additional coverage, capacity and travel options <p>This Bus Unit also has three School Routes.</p> <p>Under the Wellington Regional Public Transport Plan 2014 Route I is defined as a core service, ie, high capacity, high frequency, all day service. Routes H, and J are defined as local services, ie, all day medium to low frequency connecting town centres. All other services within the Bus Unit are targeted services, ie, peak-only, school, or after-midnight services.</p> <p>Public Routes in this Bus Unit are:</p> <p>H Southgate and Owhiro Bay Shuttle H1 Owhiro Bay Commuter H2 Southgate Commuter I Kingston and Vogeltown Extension J Kowhai Park Shuttle J1 Kowhai Park Commuter</p> |
| Topography | Inner urban and suburban, some narrow hilly winding roads |
| Estimated Revenue Service kms | 746,680 |
| Estimated Revenue Service PVR | 23 |
| Bus Types | Services in this Bus Unit are required to be operated by a mix of Small Vehicles, Medium Vehicles, Large Vehicles and Double Decker buses. |
| Catchment Population⁶ | 19,200 ⁷ |

⁶ Based on Usual Resident Population (URP) from Census 2013

Bus Unit 9: Lower Hutt

Figure 6 – Map of Lower Hutt Bus Unit public routes



⁷ Excludes Wellington CBD population in the Unit catchment area

Table 13 – Key elements of Lower Hutt (Bus Unit 9)

| | |
|--|--|
| <p>Description</p> | <p>Bus Unit 9 provides coverage across Lower Hutt, from Stokes Valley, to Seaview and Petone, including six Public Routes and 17 School Routes.</p> <p>Under the Wellington Regional Public Transport Plan 2014 routes 120 and 130 are defined as core services, ie, high capacity, high frequency, all day service. Routes 121 and 150 are defined as local services, ie, all day medium to low frequency connecting town centres. All other services within the Bus Unit are targeted services, ie, peak-only, school services, community services, or after-midnight services.</p> <p>Public Routes in this Bus Unit are:</p> <ul style="list-style-type: none"> 120 Stokes Valley 121 Stokes Valley Heights 130 Naenae 145 Belmont 150 Western Hills 154 Korokoro |
| <p>Topography</p> | <p>Flat suburban with some hilly areas</p> |
| <p>Revenue Service kms</p> | <p>1,864,330</p> |
| <p>Estimated Revenue Service PVR</p> | <p>43</p> |
| <p>Bus types</p> | <p>Services in this Bus Unit are required to be operated by a mix of Small, Medium and Large Vehicles.</p> |
| <p>Catchment population⁸</p> | <p>76,000⁹</p> |

⁸ Based on Usual Resident Population (URP) from Census 2013

⁹ Excludes Eastbourne population, services for which are covered by a separate Unit

Bus Unit 10: Upper Hutt

Figure 7 – Map of Upper Hutt Bus Unit Public Routes

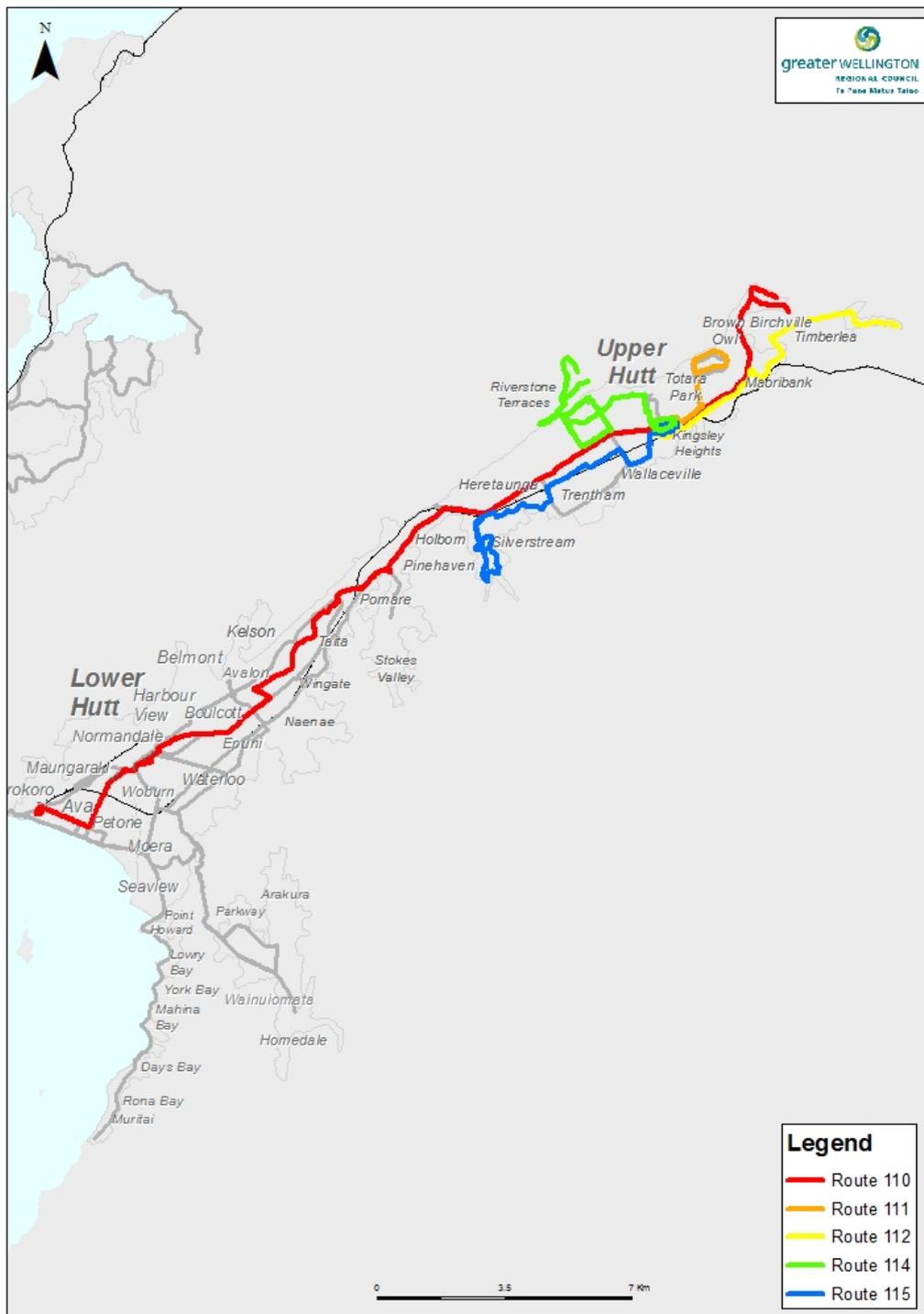


Table 14 – Key elements of Upper Hutt (Bus Unit 10)

| | |
|---|---|
| <p>Description</p> | <p>Bus Unit 10 covers the Upper Hutt area from Te Marua to Silverstream, and also provides a connection between Upper Hutt and Lower Hutt, including six Public Bus Routes and thirteen School Bus Routes.</p> <p>Under the Wellington Regional Public Transport Plan 2014 route 110 is defined as a core service, ie, high capacity, high frequency, all day service. Routes 111, 112, 114, and 115 are defined as local services, ie, all day medium to low frequency connecting town centres. The after midnight (N22) and all school bus services are targeted services, ie, peak-only, school, or after-midnight services.</p> <p>Public Routes in this Bus Unit are:</p> <ul style="list-style-type: none"> 110 Hutt Valley 111 Totara Park 112 Te Marua 114 Poets Block 115 Pinehaven N22 Naenae, Stokes Valley and Upper Hutt AFTER MIDNIGHT |
| <p>Topography</p> | <p>Mostly flat and suburban</p> |
| <p>Estimated Revenue Service kms</p> | <p>1,437,600</p> |
| <p>Estimated Revenue Service PVR</p> | <p>31</p> |
| <p>Bus types</p> | <p>Services in this Bus Unit are required to be operated by a mix of Small, Medium and Large Vehicles.</p> |
| <p>Catchment population¹⁰</p> | <p>40,000</p> |

¹⁰ Based on Usual Resident Population (URP) from Census 2013

Bus Unit 11: Wainuiomata

Figure 8 – Map of Wainuiomata Bus Unit Public Routes

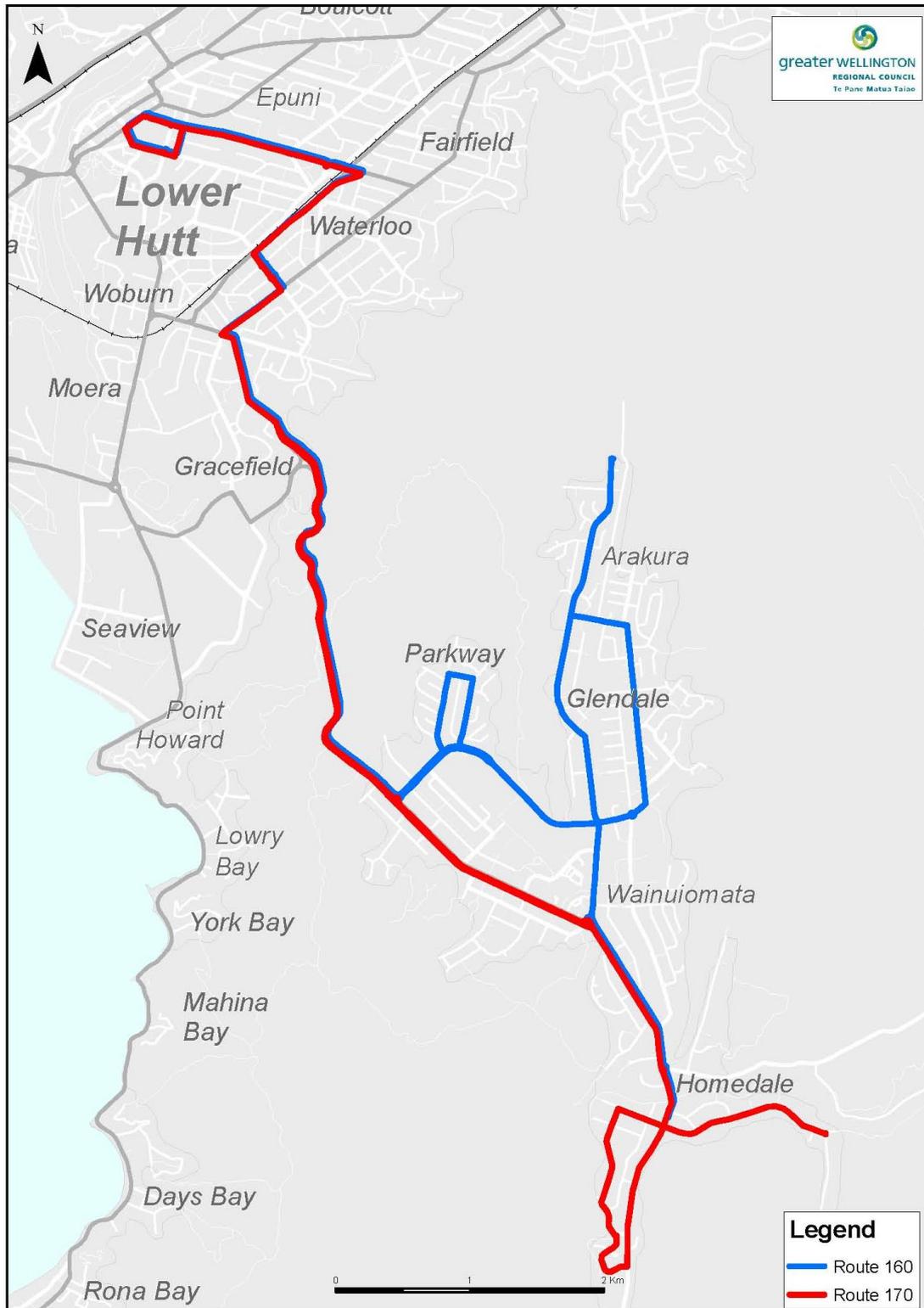


Table 15 – Key elements of Wainuiomata (Bus Unit 11)

| | |
|---|--|
| <p>Description</p> | <p>Bus Unit 11 provides coverage of the suburbs of Wainuiomata, Waiwhetu, Waterloo and Lower Hutt Central. It consists of three Public Routes and five School Routes. The Bus Unit includes one After-midnight service (N66).</p> <p>Under the Wellington Regional Public Transport Plan 2014 the routes 160 and 170 are defined as local services, ie, all day medium to low frequency connecting town centres. All other services within the Bus Unit are targeted services, ie, peak-only, school, or after-midnight services.</p> <p>Public Routes in this Bus Unit are:</p> <p>160 Wainuiomata North</p> <p>170 Wainuiomata South</p> <p>N66 Wainuiomata AFTER MIDNIGHT</p> |
| <p>Topography</p> | <p>Mostly flat suburban residential with steep highway operation between townships.</p> |
| <p>Estimated Revenue Service kms</p> | <p>859,890</p> |
| <p>Estimated Revenue Service PVR</p> | <p>14</p> |
| <p>Bus types</p> | <p>Services in this Bus Unit are required to be operated by a mix of Medium and Large Vehicles.</p> |
| <p>Catchment population¹¹</p> | <p>17,000</p> |

¹¹ Based on Usual Resident Population (URP) from Census 2013

Bus Unit 13: Porirua

Figure 9 – Map of Porirua Bus Unit Public Routes

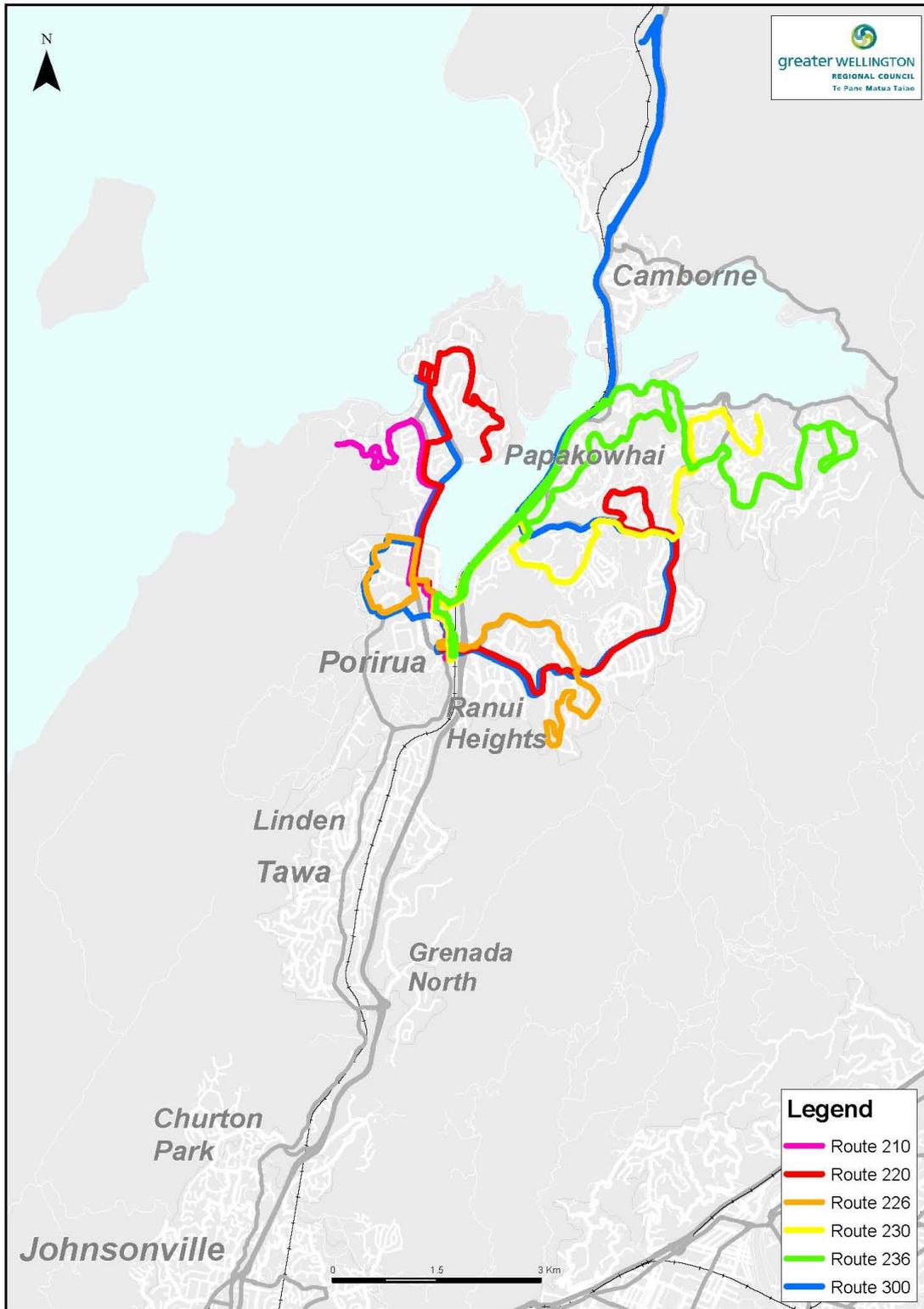


Table 16 – Key elements of Porirua (Bus Unit 13)

| | |
|--|---|
| Description | <p>Bus Unit 13 covers Porirua and surrounding suburbs. It consists of seven public bus routes and thirteen school bus routes.</p> <p>Under the Wellington Regional Public Transport Plan 2014 route 220 is defined as a core service, ie, high capacity, high frequency, all day service. Routes 210, 226, 230 and 236 are defined as local services, ie, all day medium to low frequency connecting town centres. All other services within the Bus Unit are targeted services, ie, peak-only, school, or after-midnight services.</p> <p>Public Routes in this Bus Unit are:</p> <p>210 Titahi Bay</p> <p>220 Ascot Park and Titahi Bay</p> <p>226 Sievers Grove and Elsdon</p> <p>230 Whitby and Aotea</p> <p>236 Whitby and Papakowhai</p> <p>300 Whenua Tapu Cemetery</p> <p>N6 Porirua, Whitby and Plimmerton AFTER MIDNIGHT</p> |
| Topography | Moderately hilly suburbs with some highway and town centre operation. |
| Estimated Revenue Service kms | 1,092,060 |
| Estimated Revenue Service PVR | 25 |
| Bus types | Services in this Bus Unit are required to be operated by a mix of Small, Medium and Large Vehicles. |
| Catchment population¹² | 51,800 |

¹² Based on Usual Resident Population (URP) from Census 2013

Bus Unit 14: Kapiti

Figure 10 – Map of Kapiti Bus Unit Public Routes

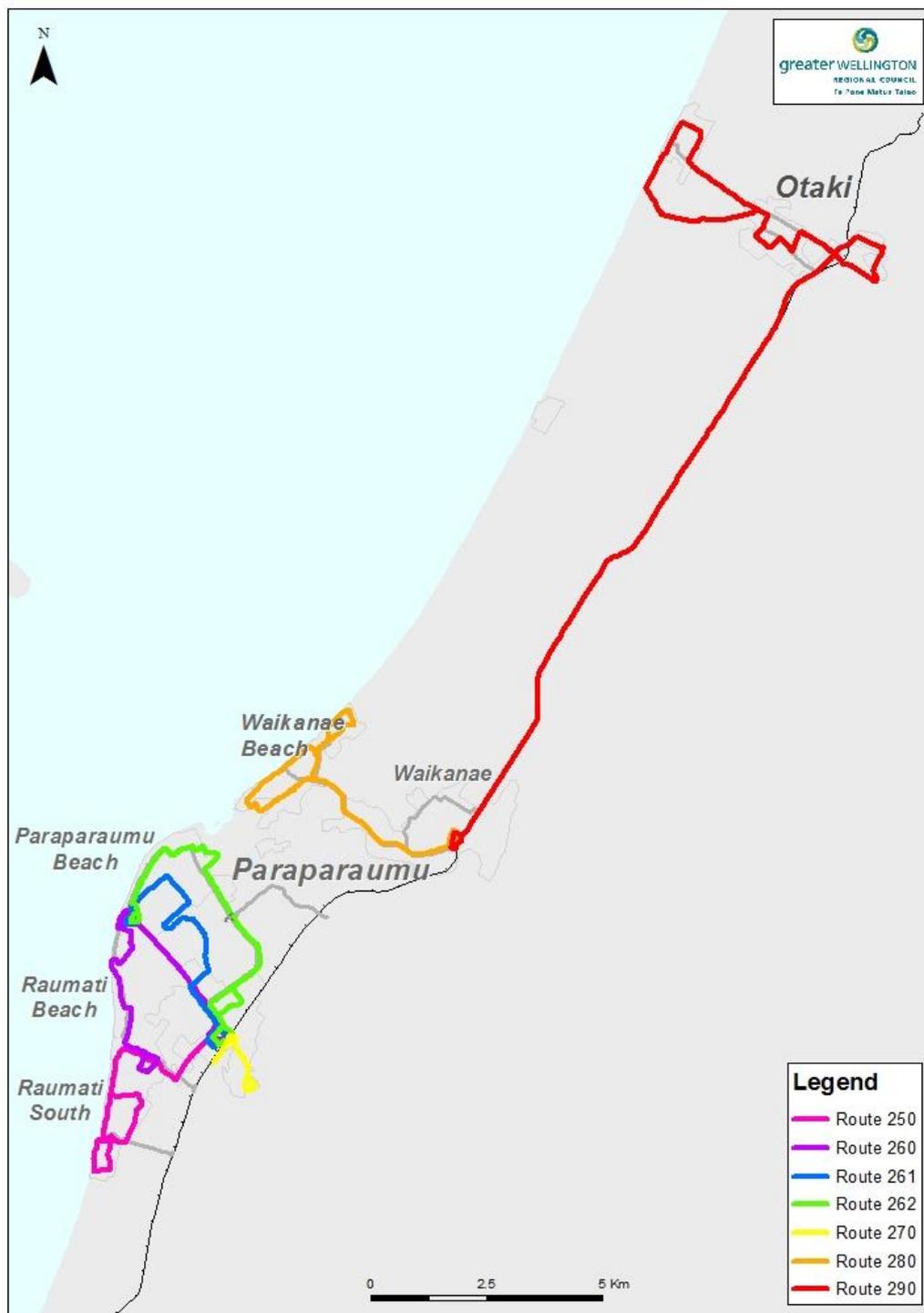


Table 17 – Key elements of Kapiti (Bus Unit 14)

| | |
|--|--|
| Description | <p>Bus Unit 14 provides coverage to the urban areas within Kapiti, including Paraparaumu, Waikanae and Otaki. It consists of ten Public Routes and eight School Routes.</p> <p>Under the Wellington Regional Public Transport Plan 2014 routes 250, 260, 261, 262 and 280 are defined as local services, ie, all day medium to low frequency connecting town centres. All other services within the Bus Unit are targeted services, ie, peak-only, school, or community access services.</p> <p>Routes 264 and 281 are new routes resulting from the 2015 review of Kapiti bus services and will be defined as Targeted services.</p> <p>Public Routes in this Bus Unit are:</p> <ul style="list-style-type: none"> 250 Raumati South 251 Otaihanga Dial-a-Ride 260 Raumati Beach 261 Paraparaumu Beach via Guildford Drive 262 Paraparaumu Beach via Mazengarb Road 263 Paekakariki Dial-a-Ride 264 Paraparaumu East Dial-a-Ride 280 Waikanae Beach 281 Waikanae Village 290 Otaki |
| Topography | Flat, suburban with highway operation between townships. |
| Estimated Revenue Service kms | 901,430 |
| Estimated Revenue Service PVR | 20 plus additional specialist vehicle (Van) for Dial-a-Ride services. |
| Bus Types | Services in this Bus Unit are required to be operated by a mix of Small, Medium and Large Vehicles plus additional specialist vehicle (Van) for Dial-a-Ride services. |
| Catchment Population¹³ | 49,100 |

¹³ Based on Usual Resident Population (URP) from Census 2013

Bus Unit 15: Wairarapa

Figure 11 – Map of Wairarapa Bus Unit Public Routes

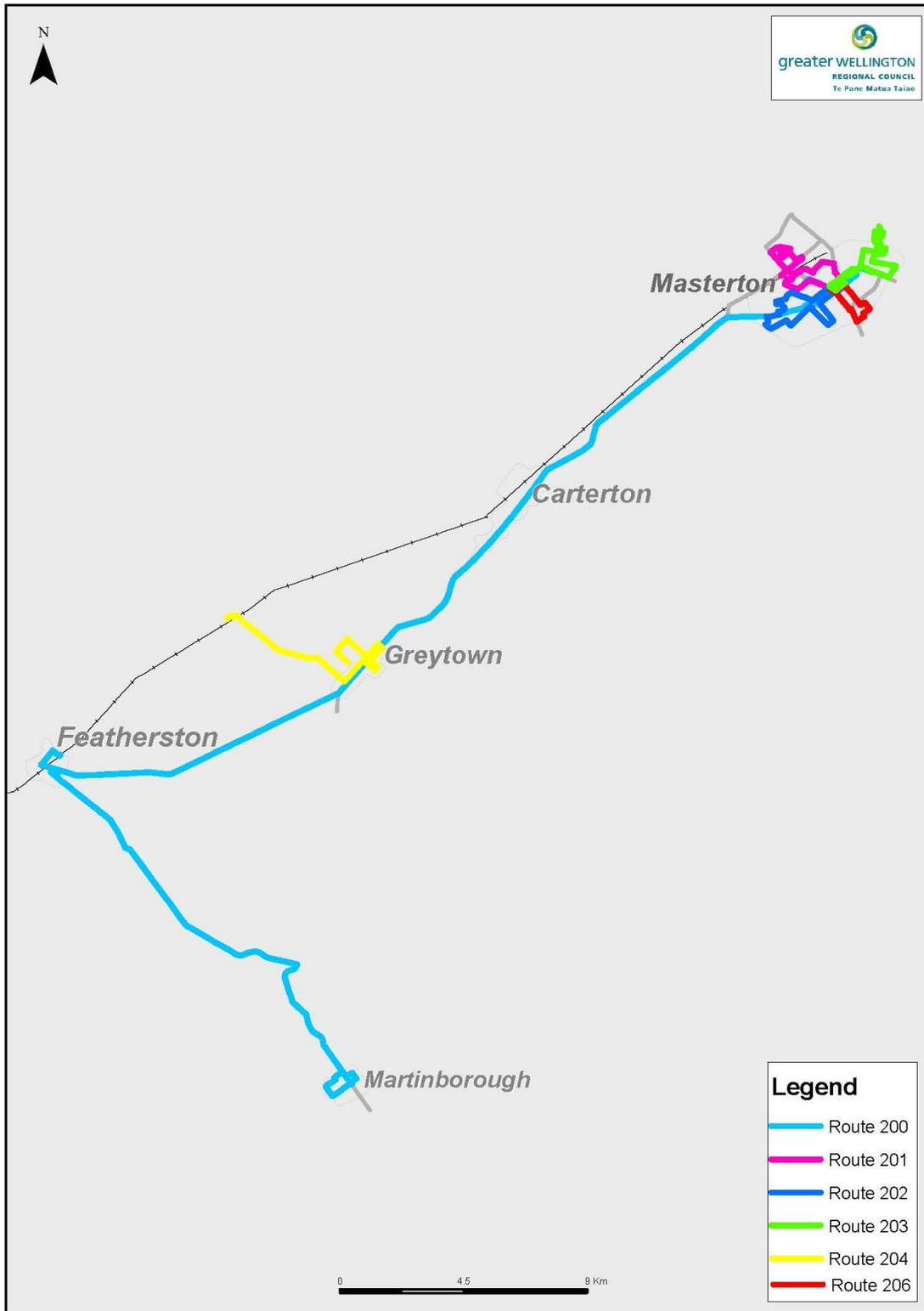


Table 18 – Key elements of Wairarapa (Bus Unit 15)

| | |
|---|---|
| <p>Description</p> | <p>Bus Unit 15 consists of six Public Routes and three School Routes which service the towns of Masterton, Carterton, Greytown, Featherston and Martinborough.</p> <p>Under the Wellington Regional Public Transport Plan 2014 all services within this Unit are defined as targeted services, ie, they provide limited services for community access</p> <p>Public Routes in this Bus Unit are:</p> <p>200 Masterton, Featherston and Martinborough</p> <p>201 Masterton West</p> <p>202 Masterton South</p> <p>203 Masterton North</p> <p>204 Greytown Woodside Shuttle</p> <p>205 Martinborough Featherston Shuttle</p> <p>206 Masterton East</p> |
| <p>Topography</p> | <p>Flat, rural with highway operation between townships.</p> |
| <p>Estimated Revenue Service kms</p> | <p>345,120</p> |
| <p>Estimated Revenue Service PVR</p> | <p>6</p> |
| <p>Bus Types</p> | <p>Services in this Bus Unit are required to be operated by a mix of Small, Medium and Large Vehicles.</p> |
| <p>Catchment Population¹⁴</p> | <p>41,200</p> |

¹⁴ Based on Usual Resident Population (URP) from Census 2013

Appendix 2: Fleet emissions calculation

For emission evaluation purposes, GWRC has determined a range of emission factors for the pollutants CO, PM₁₀, HC, NO_x and CO₂, characterised by bus size, engine type and average speed. These are provided in Tables 3 – 7 below.

GWRC has sourced emissions production volumes for each Vehicle type from COPERT (Computer Programme to calculate Emissions from Road Transport)¹⁵ to use in the emissions evaluation. If your organisation believes that your tendered Vehicles have better performance than what is found in COPERT, eg, a different mode of power not covered by the vehicle or engine classification in Table 3 in COPERT, please explain and provide the evidence to support this by contacting GWRC prior to submitting a Tender in accordance with this RFT and providing evidence of this. If a Tenderer has communicated with GWRC in respect of emissions values prior to submitting a Tender and GWRC is satisfied that alternative emission levels to those set out in this Appendix 2 have been determined and tested in real world settings and that these findings are supported by verifiable empirical evidence, GWRC will use such emissions values in calculating the Emissions Improvement Premium instead of the emissions values set out in this Appendix 2 in respect of that Tenderer. GWRC will provide an updated Returnable Part 3 to that Tenderer to allow that Tenderer to include the engine type which applies to the Vehicles tendered. The Tenderer may submit a supplementary return with the Returnable Part 3 providing the evidence which has been approved by GWRC. Emissions volumes have been sourced from the Health and Air Pollution in New Zealand Study (HAPINZ¹⁶) and Australian Austroads¹⁷ data and are provided in Table 8 below.

Process for valuing emissions

The following steps will be applied to each Bus Unit within a Tender submission.

¹⁵ COPERT estimates emissions of all major air pollutants, including greenhouse gases, produced by different vehicle categories. The technical development has been financed by the European Environment Agency (EEA), in the framework of the activities of the European Topic Centre on Air and Climate Change. COPERT relies on empirical data from 'real-world' testing environments, rather than standards information.

¹⁶ Kuschel *et al.* (2012). *Updated Health and Air Pollution in New Zealand (HAPINZ) Study*, prepared by G Kuschel, J Metcalfe, E Wilton, J Guria, S Hales, K Rolfe and A Woodward for Health Research Council of New Zealand, Ministry of Transport, Ministry for the Environment, NZ Transport Agency, March 2012, available from <http://www.hapinz.org.nz/>

¹⁷ Austroads (2012) *Guide to Project Evaluation Part 4: Project Evaluation Data, Austroads, 06 August 2012*

Step 1: Input tendered fleet profile information

The fleet profile for each Bus Unit within a Tender will be taken from the Returnable Part 3: Fleet Emissions and input in a spreadsheet.

Step 2: Calculating annual vehicle kilometres for each engine type/bus size

Table 1 below sets out GWRCs estimated annual Vehicle kilometres (Scheduled Services kilometres + a 15% dead running allowance) for each Bus Unit by Period within the Term.

| Bus Unit | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 |
|-----------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| U1. North-South Spine | 1,891,773 | 1,891,773 | 1,891,773 | 1,891,773 | 1,891,773 | 1,891,773 | 1,891,773 | 1,891,773 | 1,891,773 |
| U4. Khandallah_Aro | 1,011,142 | 1,011,142 | 1,011,142 | 1,011,142 | 1,011,142 | 1,011,142 | 1,011,142 | 1,011,142 | 1,011,142 |
| U7. Brooklyn_Owhiro | 858,684 | 858,684 | 858,684 | 858,684 | 858,684 | 858,684 | 858,684 | 858,684 | 858,684 |
| U9. Lower Hutt | 2,143,974 | 2,143,974 | 2,143,974 | 2,143,974 | 2,143,974 | 2,143,974 | 2,143,974 | 2,143,974 | 2,143,974 |
| U10. Upper Hutt | 1,653,245 | 1,653,245 | 1,653,245 | 1,653,245 | 1,653,245 | 1,653,245 | 1,653,245 | 1,653,245 | 1,653,245 |
| U11. Wainuiomata | 988,868 | 988,868 | 988,868 | 988,868 | 988,868 | 988,868 | 988,868 | 988,868 | 988,868 |
| U13. Porirua | 1,255,870 | 1,255,870 | 1,255,870 | 1,255,870 | 1,255,870 | 1,255,870 | 1,255,870 | 1,255,870 | 1,255,870 |
| U14. Kapiti | 1,036,650 | 1,036,650 | 1,036,650 | 1,036,650 | 1,036,650 | 1,036,650 | 1,036,650 | 1,036,650 | 1,036,650 |
| U15. Wairarapa | 396,888 | 396,888 | 396,888 | 396,888 | 396,888 | 396,888 | 396,888 | 396,888 | 396,888 |

The estimated annual Vehicle kilometres by Period will be distributed equally across each engine type/bus size combination from the Bus Unit fleet profile in Step 1, using the ratio of buses in each combination. For the avoidance of doubt the assumption is that each Vehicle in a fleet will travel the same number of kilometres annually.

If a Vehicle is specified in Returnable Part 3 as being replaced or acquired part way through a Period, the Vehicle will be pro-rated for the length of time it is used in providing the Services during that Period

Step 3: Calculating annual emissions

Emissions values are calculated for each emission type (CO₂, PM₁₀, NO_x, HC & CO) by multiplying the annual vehicle kilometres from step 2 by emissions volumes per km. These values are based on the average speed of a bus, and therefore each Bus Unit must be assigned to an average speed category. The average speed for each Bus Unit (rounded to the nearest 5kph) is summarised in table 2 below.

Table 2: Average speed by Bus Unit

| Bus Unit | Average speed kph |
|-----------------------|--------------------------|
| U1. North-South Spine | 20 |
| U4. Khandallah_Aro | 20 |
| U7. Brooklyn_Owhiro | 20 |
| U9. Lower Hutt | 25 |
| U10. Upper Hutt | 30 |
| U11. Wainuiomata | 35 |
| U13. Porirua | 25 |
| U14. Kapiti | 30 |
| U15. Wairarapa | 45 |

Tables 3 to 7 below set out the emissions volumes per km by engine type/bus size/average speed. Multiplying these rates by the annual kilometres for each engine type/bus size combination will calculate the emissions volume in each Period for each engine type/bus size.

Table 3: CO2 g/km

| engine type | Bus size | Average speed (kph) | | | | |
|-------------|------------------------|---------------------|--------|--------|--------|--------|
| | | 20 | 25 | 30 | 35 | 45 |
| Euro III | Small Vehicle | 858.8 | 762.5 | 697.2 | 650.6 | 590.4 |
| | Medium Vehicle | 1100.9 | 979.5 | 894.8 | 832.5 | 747.5 |
| | Large Vehicle | 1280.9 | 1139.7 | 1041.1 | 968.6 | 869.7 |
| | Double Decker (2 axle) | 1253.9 | 1115.7 | 1019.2 | 948.2 | 851.4 |
| | Double Decker (3 axle) | 1509.9 | 1343.5 | 1227.3 | 1141.8 | 1025.2 |
| Euro IV | Small Vehicle | 774.7 | 702.5 | 647.6 | 607.6 | 562.8 |
| | Medium Vehicle | 1010.1 | 916.5 | 843.8 | 789.0 | 721.5 |
| | Large Vehicle | 1175.2 | 1066.4 | 981.8 | 918.0 | 839.5 |
| | Double Decker (2 axle) | 1150.5 | 1044.0 | 961.1 | 898.7 | 821.8 |
| | Double Decker (3 axle) | 1385.3 | 1257.1 | 1157.3 | 1082.1 | 989.6 |

| | | | | | | |
|-----------------|------------------------|--------|--------|--------|--------|-------|
| Euro V | Small Vehicle | 753.9 | 682.0 | 628.5 | 587.7 | 531.8 |
| | Medium Vehicle | 977.8 | 884.4 | 813.9 | 758.7 | 679.1 |
| | Large Vehicle | 1137.7 | 1029.1 | 946.9 | 882.8 | 790.1 |
| | Double Decker (2 axle) | 1113.7 | 1007.4 | 927.0 | 864.2 | 773.5 |
| | Double Decker (3 axle) | 1341.1 | 1213.1 | 1116.3 | 1040.6 | 931.4 |
| Euro VI | Small Vehicle | 772.2 | 697.6 | 641.8 | 599.1 | 541.7 |
| | Medium Vehicle | 999.7 | 903.9 | 831.0 | 773.9 | 691.5 |
| | Large Vehicle | 1163.1 | 1051.7 | 966.9 | 900.5 | 804.6 |
| | Double Decker (2 axle) | 1138.6 | 1029.6 | 946.6 | 881.5 | 787.6 |
| | Double Decker (3 axle) | 1371.1 | 1239.8 | 1139.8 | 1061.5 | 948.4 |
| Hybrid (Euro V) | Small Vehicle | 503.0 | 455.0 | 419.3 | 392.1 | 354.8 |
| | Medium Vehicle | 652.4 | 590.1 | 543.0 | 506.2 | 453.1 |
| | Large Vehicle | 759.0 | 686.6 | 631.8 | 589.0 | 527.2 |

| | | | | | | |
|------------------|------------------------|--------|-------|-------|-------|-------|
| | Double Decker (2 axle) | 743.1 | 672.1 | 618.5 | 576.6 | 516.1 |
| | Double Decker (3 axle) | 894.8 | 809.3 | 744.8 | 694.3 | 621.4 |
| Hybrid (Euro VI) | Small Vehicle | 515.2 | 465.4 | 428.2 | 399.7 | 361.4 |
| | Medium Vehicle | 667.0 | 603.1 | 554.5 | 516.3 | 461.4 |
| | Large Vehicle | 776.0 | 701.7 | 645.1 | 600.8 | 536.8 |
| | Double Decker (2 axle) | 759.7 | 686.9 | 631.5 | 588.1 | 525.5 |
| | Double Decker (3 axle) | 914.8 | 827.2 | 760.5 | 708.2 | 632.8 |
| Electric | Small Vehicle | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | Medium Vehicle | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | Large Vehicle | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | Double Decker (2 axle) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | Double Decker (3 axle) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Natural gas | Small Vehicle | 1061.5 | 944.5 | 862.8 | 802.7 | 720.8 |

| | | | | | | |
|--|------------------------|--------|--------|--------|--------|--------|
| | Medium Vehicle | 1196.2 | 1064.3 | 972.3 | 904.5 | 812.2 |
| | Large Vehicle | 1391.8 | 1238.3 | 1131.3 | 1052.4 | 945.0 |
| | Double Decker (2 axle) | 1362.5 | 1212.3 | 1107.5 | 1030.3 | 925.2 |
| | Double Decker (3 axle) | 1640.6 | 1459.8 | 1333.6 | 1240.6 | 1114.0 |

Table 4: PM₁₀ g/km

| engine type | Bus size | Average speed (kph) | | | | |
|-------------|------------------------|---------------------|--------|--------|--------|--------|
| | | 20 | 25 | 30 | 35 | 45 |
| Euro III | Small Vehicle | 0.1680 | 0.1440 | 0.1290 | 0.1170 | 0.1030 |
| | Medium Vehicle | 0.2146 | 0.1848 | 0.1655 | 0.1511 | 0.1318 |
| | Large Vehicle | 0.2497 | 0.2150 | 0.1926 | 0.1758 | 0.1534 |
| | Double Decker (2 axle) | 0.2444 | 0.2105 | 0.1885 | 0.1721 | 0.1502 |
| | Double Decker (3 axle) | 0.2943 | 0.2534 | 0.2270 | 0.2072 | 0.1808 |
| Euro IV | Small Vehicle | 0.0400 | 0.0350 | 0.0320 | 0.0290 | 0.0260 |
| | Medium Vehicle | 0.0529 | 0.0472 | 0.0423 | 0.0385 | 0.0337 |

| | | | | | | |
|---------|------------------------|--------|--------|--------|--------|--------|
| | Large Vehicle | 0.0616 | 0.0549 | 0.0493 | 0.0448 | 0.0392 |
| | Double Decker (2 axle) | 0.0603 | 0.0537 | 0.0482 | 0.0438 | 0.0384 |
| | Double Decker (3 axle) | 0.0726 | 0.0647 | 0.0581 | 0.0528 | 0.0462 |
| Euro V | Small Vehicle | 0.0480 | 0.0420 | 0.0370 | 0.0340 | 0.0290 |
| | Medium Vehicle | 0.0606 | 0.0529 | 0.0481 | 0.0433 | 0.0375 |
| | Large Vehicle | 0.0705 | 0.0616 | 0.0560 | 0.0504 | 0.0437 |
| | Double Decker (2 axle) | 0.0691 | 0.0603 | 0.0548 | 0.0493 | 0.0427 |
| | Double Decker (3 axle) | 0.0832 | 0.0726 | 0.0660 | 0.0594 | 0.0515 |
| Euro VI | Small Vehicle | 0.0050 | 0.0040 | 0.0040 | 0.0030 | 0.0030 |
| | Medium Vehicle | 0.0067 | 0.0058 | 0.0048 | 0.0038 | 0.0038 |
| | Large Vehicle | 0.0078 | 0.0067 | 0.0056 | 0.0045 | 0.0045 |
| | Double Decker (2 axle) | 0.0077 | 0.0066 | 0.0055 | 0.0044 | 0.0044 |
| | Double Decker (3 axle) | 0.0092 | 0.0079 | 0.0066 | 0.0053 | 0.0053 |

| | | | | | | |
|------------------|------------------------|--------|--------|--------|--------|--------|
| Hybrid (Euro V) | Small Vehicle | 0.0480 | 0.0420 | 0.0370 | 0.0340 | 0.0290 |
| | Medium Vehicle | 0.0606 | 0.0529 | 0.0481 | 0.0433 | 0.0375 |
| | Large Vehicle | 0.0705 | 0.0616 | 0.0560 | 0.0504 | 0.0437 |
| | Double Decker (2 axle) | 0.0691 | 0.0603 | 0.0548 | 0.0493 | 0.0427 |
| | Double Decker (3 axle) | 0.0832 | 0.0726 | 0.0660 | 0.0594 | 0.0515 |
| Hybrid (Euro VI) | Small Vehicle | 0.0050 | 0.0040 | 0.0040 | 0.0030 | 0.0030 |
| | Medium Vehicle | 0.0067 | 0.0058 | 0.0048 | 0.0038 | 0.0038 |
| | Large Vehicle | 0.0078 | 0.0067 | 0.0056 | 0.0045 | 0.0045 |
| | Double Decker (2 axle) | 0.0077 | 0.0066 | 0.0055 | 0.0044 | 0.0044 |
| | Double Decker (3 axle) | 0.0092 | 0.0079 | 0.0066 | 0.0053 | 0.0053 |
| Electric | Small Vehicle | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| | Medium Vehicle | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| | Large Vehicle | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |

| | | | | | | |
|-------------|------------------------|--------|--------|--------|--------|--------|
| | Double Decker (2 axle) | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| | Double Decker (3 axle) | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Natural gas | Small Vehicle | 0.0094 | 0.0085 | 0.0077 | 0.0068 | 0.0060 |
| | Medium Vehicle | 0.0106 | 0.0096 | 0.0087 | 0.0077 | 0.0067 |
| | Large Vehicle | 0.0123 | 0.0112 | 0.0101 | 0.0090 | 0.0078 |
| | Double Decker (2 axle) | 0.0121 | 0.0110 | 0.0099 | 0.0088 | 0.0077 |
| | Double Decker (3 axle) | 0.0145 | 0.0132 | 0.0119 | 0.0106 | 0.0092 |

Table 5: NO_x g/km

| engine type | Bus size | Average speed (kph) | | | | |
|-------------|------------------------|---------------------|--------|-------|-------|-------|
| | | 20 | 25 | 30 | 35 | 45 |
| Euro III | Small Vehicle | 8.692 | 7.309 | 6.388 | 5.723 | 4.816 |
| | Medium Vehicle | 10.797 | 9.158 | 8.063 | 7.269 | 6.179 |
| | Large Vehicle | 12.563 | 10.656 | 9.382 | 8.458 | 7.189 |
| | Double Decker (2 axle) | 12.298 | 10.432 | 9.184 | 8.280 | 7.038 |

| | | | | | | |
|---------|------------------------|--------|--------|--------|-------|-------|
| | Double Decker (3 axle) | 14.809 | 12.561 | 11.059 | 9.970 | 8.475 |
| Euro IV | Small Vehicle | 5.092 | 4.500 | 4.076 | 3.752 | 3.280 |
| | Medium Vehicle | 6.518 | 5.779 | 5.247 | 4.839 | 4.248 |
| | Large Vehicle | 7.584 | 6.724 | 6.104 | 5.630 | 4.942 |
| | Double Decker (2 axle) | 7.424 | 6.582 | 5.976 | 5.511 | 4.838 |
| | Double Decker (3 axle) | 8.940 | 7.926 | 7.196 | 6.636 | 5.826 |
| Euro V | Small Vehicle | 6.329 | 5.183 | 4.351 | 3.721 | 2.849 |
| | Medium Vehicle | 7.700 | 6.229 | 5.163 | 4.356 | 3.240 |
| | Large Vehicle | 8.959 | 7.248 | 6.007 | 5.069 | 3.770 |
| | Double Decker (2 axle) | 8.770 | 7.095 | 5.881 | 4.962 | 3.691 |
| | Double Decker (3 axle) | 10.560 | 8.544 | 7.081 | 5.975 | 4.444 |
| Euro VI | Small Vehicle | 0.485 | 0.388 | 0.320 | 0.269 | 0.196 |
| | Medium Vehicle | 0.531 | 0.440 | 0.369 | 0.311 | 0.227 |

| | | | | | | |
|------------------|------------------------|-------|-------|-------|-------|-------|
| | Large Vehicle | 0.618 | 0.512 | 0.429 | 0.362 | 0.264 |
| | Double Decker (2 axle) | 0.605 | 0.501 | 0.420 | 0.354 | 0.259 |
| | Double Decker (3 axle) | 0.729 | 0.603 | 0.506 | 0.426 | 0.311 |
| Hybrid (Euro V) | Small Vehicle | 5.063 | 4.146 | 3.481 | 2.977 | 2.279 |
| | Medium Vehicle | 6.160 | 4.983 | 4.130 | 3.485 | 2.592 |
| | Large Vehicle | 7.167 | 5.798 | 4.806 | 4.055 | 3.016 |
| | Double Decker (2 axle) | 7.016 | 5.676 | 4.705 | 3.970 | 2.953 |
| | Double Decker (3 axle) | 8.448 | 6.835 | 5.665 | 4.780 | 3.555 |
| Hybrid (Euro VI) | Small Vehicle | 0.485 | 0.388 | 0.320 | 0.269 | 0.196 |
| | Medium Vehicle | 0.531 | 0.440 | 0.369 | 0.311 | 0.227 |
| | Large Vehicle | 0.618 | 0.512 | 0.429 | 0.362 | 0.264 |
| | Double Decker (2 axle) | 0.605 | 0.501 | 0.420 | 0.354 | 0.259 |
| | Double Decker (3 axle) | 0.729 | 0.603 | 0.506 | 0.426 | 0.311 |

| | | | | | | |
|-------------|------------------------|-------|-------|-------|-------|-------|
| Electric | Small Vehicle | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| | Medium Vehicle | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| | Large Vehicle | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| | Double Decker (2 axle) | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| | Double Decker (3 axle) | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Natural gas | Small Vehicle | 3.491 | 3.081 | 2.787 | 2.564 | 2.238 |
| | Medium Vehicle | 3.934 | 3.472 | 3.141 | 2.889 | 2.522 |
| | Large Vehicle | 4.577 | 4.040 | 3.655 | 3.361 | 2.935 |
| | Double Decker (2 axle) | 4.481 | 3.955 | 3.578 | 3.291 | 2.873 |
| | Double Decker (3 axle) | 5.396 | 4.762 | 4.308 | 3.962 | 3.459 |

Table 6: CO g/km

| Engine type | Bus size | Average speed (kph) | | | | |
|-------------|---------------|---------------------|--------|--------|--------|--------|
| | | 20 | 25 | 30 | 35 | 45 |
| Euro III | Small Vehicle | 2.2320 | 1.8290 | 1.5430 | 1.3440 | 1.1140 |

| | | | | | | |
|---------|------------------------|--------|--------|--------|--------|--------|
| | Medium Vehicle | 2.9707 | 2.4347 | 2.0372 | 1.7572 | 1.4416 |
| | Large Vehicle | 3.4564 | 2.8328 | 2.3703 | 2.0445 | 1.6773 |
| | Double Decker (2 axle) | 3.3837 | 2.7732 | 2.3205 | 2.0015 | 1.6420 |
| | Double Decker (3 axle) | 4.0745 | 3.3393 | 2.7942 | 2.4101 | 1.9772 |
| Euro IV | Small Vehicle | 1.1010 | 0.9230 | 0.8000 | 0.7110 | 0.5870 |
| | Medium Vehicle | 1.3800 | 1.1586 | 1.0056 | 0.8921 | 0.7371 |
| | Large Vehicle | 1.6056 | 1.3481 | 1.1701 | 1.0379 | 0.8577 |
| | Double Decker (2 axle) | 1.5718 | 1.3197 | 1.1454 | 1.0161 | 0.8396 |
| | Double Decker (3 axle) | 1.8927 | 1.5891 | 1.3793 | 1.2235 | 1.0110 |
| Euro V | Small Vehicle | 1.9110 | 1.5710 | 1.3490 | 1.1920 | 0.9860 |
| | Medium Vehicle | 2.4212 | 1.9872 | 1.7014 | 1.5003 | 1.2356 |
| | Large Vehicle | 2.8171 | 2.3121 | 1.9796 | 1.7456 | 1.4377 |
| | Double Decker (2 axle) | 2.7578 | 2.2635 | 1.9379 | 1.7088 | 1.4074 |

| | | | | | | |
|------------------|------------------------|--------|--------|--------|--------|--------|
| | Double Decker (3 axle) | 3.3208 | 2.7256 | 2.3336 | 2.0577 | 1.6947 |
| Euro VI | Small Vehicle | 0.2310 | 0.1880 | 0.1590 | 0.1400 | 0.1180 |
| | Medium Vehicle | 0.2848 | 0.2396 | 0.2088 | 0.1867 | 0.1559 |
| | Large Vehicle | 0.3314 | 0.2788 | 0.2430 | 0.2172 | 0.1814 |
| | Double Decker (2 axle) | 0.3245 | 0.2729 | 0.2379 | 0.2126 | 0.1776 |
| | Double Decker (3 axle) | 0.3907 | 0.3287 | 0.2864 | 0.2561 | 0.2138 |
| Hybrid (Euro V) | Small Vehicle | 1.9110 | 1.5710 | 1.3490 | 1.1920 | 0.9860 |
| | Medium Vehicle | 2.4212 | 1.9872 | 1.7014 | 1.5003 | 1.2356 |
| | Large Vehicle | 2.8171 | 2.3121 | 1.9796 | 1.7456 | 1.4377 |
| | Double Decker (2 axle) | 2.7578 | 2.2635 | 1.9379 | 1.7088 | 1.4074 |
| | Double Decker (3 axle) | 3.3208 | 2.7256 | 2.3336 | 2.0577 | 1.6947 |
| Hybrid (Euro VI) | Small Vehicle | 0.2310 | 0.1880 | 0.1590 | 0.1400 | 0.1180 |
| | Medium Vehicle | 0.2848 | 0.2396 | 0.2088 | 0.1867 | 0.1559 |

| | | | | | | |
|-------------|------------------------|--------|--------|--------|--------|--------|
| | Large Vehicle | 0.3314 | 0.2788 | 0.2430 | 0.2172 | 0.1814 |
| | Double Decker (2 axle) | 0.3245 | 0.2729 | 0.2379 | 0.2126 | 0.1776 |
| | Double Decker (3 axle) | 0.3907 | 0.3287 | 0.2864 | 0.2561 | 0.2138 |
| Electric | Small Vehicle | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| | Medium Vehicle | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| | Large Vehicle | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| | Double Decker (2 axle) | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| | Double Decker (3 axle) | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Natural gas | Small Vehicle | 0.8506 | 0.7131 | 0.6183 | 0.5483 | 0.4526 |
| | Medium Vehicle | 0.9585 | 0.8035 | 0.6967 | 0.6178 | 0.5100 |
| | Large Vehicle | 1.1152 | 0.9349 | 0.8106 | 0.7188 | 0.5934 |
| | Double Decker (2 axle) | 1.0917 | 0.9153 | 0.7936 | 0.7037 | 0.5809 |
| | Double Decker (3 axle) | 1.3146 | 1.1021 | 0.9556 | 0.8474 | 0.6995 |

Table 7: HC g/km

| engine type | Bus size | Average speed (kph) | | | | |
|-------------|------------------------|---------------------|--------|--------|--------|--------|
| | | 20 | 25 | 30 | 35 | 45 |
| Euro III | Small Vehicle | 0.4770 | 0.3900 | 0.3300 | 0.2890 | 0.2420 |
| | Medium Vehicle | 0.6053 | 0.4946 | 0.4148 | 0.3589 | 0.2897 |
| | Large Vehicle | 0.7043 | 0.5755 | 0.4826 | 0.4176 | 0.3370 |
| | Double Decker (2 axle) | 0.6895 | 0.5634 | 0.4724 | 0.4089 | 0.3299 |
| | Double Decker (3 axle) | 0.8302 | 0.6784 | 0.5689 | 0.4923 | 0.3973 |
| Euro IV | Small Vehicle | 0.0550 | 0.0480 | 0.0430 | 0.0390 | 0.0350 |
| | Medium Vehicle | 0.0760 | 0.0654 | 0.0587 | 0.0529 | 0.0462 |
| | Large Vehicle | 0.0885 | 0.0761 | 0.0683 | 0.0616 | 0.0537 |
| | Double Decker (2 axle) | 0.0866 | 0.0745 | 0.0669 | 0.0603 | 0.0526 |
| | Double Decker (3 axle) | 0.1043 | 0.0898 | 0.0805 | 0.0726 | 0.0634 |
| Euro V | Small Vehicle | 0.0500 | 0.0430 | 0.0380 | 0.0340 | 0.0290 |

| | | | | | | |
|-----------------|------------------------|--------|--------|--------|--------|--------|
| | Medium Vehicle | 0.0635 | 0.0549 | 0.0481 | 0.0433 | 0.0356 |
| | Large Vehicle | 0.0739 | 0.0638 | 0.0560 | 0.0504 | 0.0414 |
| | Double Decker (2 axle) | 0.0723 | 0.0625 | 0.0548 | 0.0493 | 0.0406 |
| | Double Decker (3 axle) | 0.0871 | 0.0752 | 0.0660 | 0.0594 | 0.0488 |
| Euro VI | Small Vehicle | 0.0380 | 0.0320 | 0.0280 | 0.0250 | 0.0210 |
| | Medium Vehicle | 0.0472 | 0.0395 | 0.0346 | 0.0308 | 0.0260 |
| | Large Vehicle | 0.0549 | 0.0459 | 0.0403 | 0.0358 | 0.0302 |
| | Double Decker (2 axle) | 0.0537 | 0.0449 | 0.0395 | 0.0351 | 0.0296 |
| | Double Decker (3 axle) | 0.0647 | 0.0541 | 0.0475 | 0.0422 | 0.0356 |
| Hybrid (Euro V) | Small Vehicle | 0.0500 | 0.0430 | 0.0380 | 0.0340 | 0.0290 |
| | Medium Vehicle | 0.0635 | 0.0549 | 0.0481 | 0.0433 | 0.0356 |
| | Large Vehicle | 0.0739 | 0.0638 | 0.0560 | 0.0504 | 0.0414 |
| | Double Decker (2 axle) | 0.0723 | 0.0625 | 0.0548 | 0.0493 | 0.0406 |

| | | | | | | |
|------------------|------------------------|--------|--------|--------|--------|--------|
| | Double Decker (3 axle) | 0.0871 | 0.0752 | 0.0660 | 0.0594 | 0.0488 |
| Hybrid (Euro VI) | Small Vehicle | 0.0380 | 0.0320 | 0.0280 | 0.0250 | 0.0210 |
| | Medium Vehicle | 0.0472 | 0.0395 | 0.0346 | 0.0308 | 0.0260 |
| | Large Vehicle | 0.0549 | 0.0459 | 0.0403 | 0.0358 | 0.0302 |
| | Double Decker (2 axle) | 0.0537 | 0.0449 | 0.0395 | 0.0351 | 0.0296 |
| | Double Decker (3 axle) | 0.0647 | 0.0541 | 0.0475 | 0.0422 | 0.0356 |
| Electric | Small Vehicle | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| | Medium Vehicle | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| | Large Vehicle | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| | Double Decker (2 axle) | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| | Double Decker (3 axle) | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Natural gas | Small Vehicle | 0.8642 | 0.7336 | 0.6473 | 0.5927 | 0.5406 |
| | Medium Vehicle | 0.9739 | 0.8266 | 0.7294 | 0.6679 | 0.6092 |

| | | | | | | |
|--|------------------------|--------|--------|--------|--------|--------|
| | Large Vehicle | 1.1331 | 0.9618 | 0.8487 | 0.7771 | 0.7088 |
| | Double Decker (2 axle) | 1.1093 | 0.9416 | 0.8309 | 0.7607 | 0.6938 |
| | Double Decker (3 axle) | 1.3357 | 1.1338 | 1.0005 | 0.9160 | 0.8355 |

Step 4: Valuing annual emissions

The total emissions volume in grams by emission type (CO₂, PM₁₀, NO_x, CO, HC) by Period for each fleet tendered for a Bus Unit will be multiplied by the values provided in table 8 below and then added together. This will result in an emissions value by Period for each fleet tendered for a Bus Unit, as set out in Returnable Part 3.

Table 8: Value of emissions per gram by emission type

| Emission | Bus Unit | Value |
|------------------|-----------------|----------------|
| CO ₂ | \$/gram | \$ 0.000067341 |
| PM ₁₀ | \$/gram | \$ 0.460370544 |
| NO _x | \$/gram | \$ 0.016359727 |
| CO | \$/gram | \$ 0.000004241 |
| HC | \$/gram | \$ 0.001345269 |

Step 5: Calculating the emissions NPV and the Emissions Improvement Premium

The values from step 4 will be turned into an NPV at Tender Closing Date using the methodology set out in section 9.4.4 of this RFT. This NPV will then be used for calculating the Emissions Improvement Premium in accordance with section 9.4.3 of this RFT.